

SUSTAINABILITY REPORT

2023 | CLEVELAND-CLIFFS INC.



CLIFFS

American Iron and Steel
American Owned and Operated



LETTER FROM LOURENCO

Average Emissions Intensity of Cliffs' Integrated Mills (Scope 1 & 2)

metric tons CO₂e / metric ton crude steel



⁽¹⁾ Source: CRU as of 2/22/24

Our blast furnace-basic oxygen furnace (BF-BOF) greenhouse gas emissions intensity in 2023 is 28% better than the global average.

Dear Stakeholders:

2023 was an outstanding year for Cleveland-Cliffs, in which we demonstrated how far ahead we are when compared against peer companies in Europe, Japan, China or South Korea, among all others.

Our blast furnace-basic oxygen furnace (BF-BOF) greenhouse gas emissions intensity in 2023 is 28% better than the global average. We successfully completed real life trials of hydrogen injection into blast furnaces as a reductant and fuel source at two of our integrated steel mills, Indiana Harbor and Middletown, and we also installed a hydrogen pipeline at Indiana Harbor in anticipation of the future U.S. Department of Energy (DOE) hydrogen hub in Indiana. We are ahead of the rest of the world in using proven technologies that make our blast furnace steel the cleanest in the world, including using iron ore pellets, natural gas injection, hot-briquetted iron (HBI), and now hydrogen.

We will continue to drive reductions in our carbon footprint through our lower emissions initiatives and opportunities, as we reshape the future of ironmaking and steelmaking in the United States. In 2023, the DOE recognized Cleveland-Cliffs for our decarbonization performance, and we remain the only steel company in its Better Buildings Initiative and Better Climate Challenge. On the horizon is the use of hydrogen as an optimal energy source and reductant to further decarbonize our steelmaking process.

Our substantial free cash flow generated in 2023 allowed us to pay down debt to achieve our debt target by year end. Steel demand remained healthy throughout the entire year, especially with our most important market, the automotive sector, as we delivered record shipments to this industry. Besides automotive, we reaped the benefits of the maintenance improvements we executed in 2022 and delivered record total shipments of 16.4 million tons. The strong tonnage produced and sold allowed us to reduce our steelmaking costs without sacrificing our high-end product mix which, differently from every other steelmaker in the United States, includes significant tonnages of stainless and electrical steels, as well as a richer mix of complex specs of automotive-grade steels.

We also began to implement the CLIFFS HTM surcharge for steel produced through our BF-BOF route, using our HBI as blast furnace feedstock. We are proud to be able to supply our customers with this lower carbon intensive steel with the first true green premium used in the marketplace, CLIFFS HTM. With the CLIFFS HTM steel surcharge, we were able to monetize our environmental gains and our significant reduction in CO₂ emissions achieved over the last several years.

We are responsible stewards of the resources that we control and operate in our hometown communities in the heartland of the United States. Our success has made us even stronger as an American owned and operated iron and steel company. We will continue to develop and bring to market high-value steel solutions that meet or exceed the expectations of our customers.

As we grow, we retain our strong commitment to maintaining a safe work environment for our 28,000 employees. I thank all of our employees, particularly our union workforce, for their continued dedication to safe production. Through our established relationship with our unions, we will continue to work in partnership to accomplish our goals together. You will see in the pages ahead that we can reduce carbon emissions while not sacrificing productivity or economic viability. We are well positioned to support good-paying, middle class jobs for our workers, develop critical solutions for our customers and advance lower-carbon steel solutions.

I appreciate your confidence and your continued support in this mission.

Sincerely,

LOURENCO GONCALVES
Chairman, President and Chief Executive Officer

ABOUT THIS REPORT

Cleveland-Cliffs' Sustainability Report 2023 covers information and data for calendar year 2023, unless otherwise noted. References in this report to the "Company," "we," "us," "our," "Cleveland-Cliffs," and "Cliffs" are to Cleveland-Cliffs Inc. and its subsidiaries, collectively. Report content and disclosures are aligned to the Global Reporting Initiative Standards and the Sustainability Accounting Standards Board Standards for Iron & Steel Producers and Metals & Mining. We are committed to reporting on our progress against our sustainability goals on an annual basis and we regularly engage with stakeholders throughout the year around sustainability topics. We welcome questions and feedback about this report to sustainability@clevelandcliffs.com.

Our past reports are available on the [Sustainability page](#) of our website.

We obtained from Deloitte the same review of our consolidated Scope 1 and 2 greenhouse gas (GHG) emissions data, which is detailed in our Statement of GHG Emissions at the back of this report.

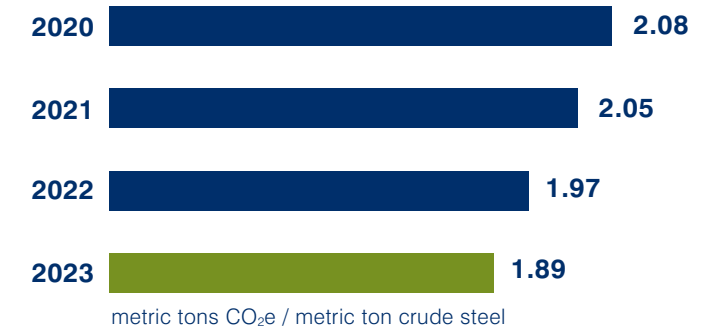
Absolute Scope 1 + 2 GHG emissions remain below reduction goal ahead of target year 2030.

Cleveland-Cliffs' Scope 1 and 2 GHG Emissions Intensity

The charts below show the year-over-year trend of our combined Scope 1 and 2 GHG emissions intensity values for: company-wide, integrated basic oxygen furnace (BOF) facilities, and electric arc furnace (EAF) facilities. **All values are reported in metric tons carbon dioxide equivalent (CO₂e) per metric ton of crude steel.** Please refer to the map in this report for facilities covered under each data set.

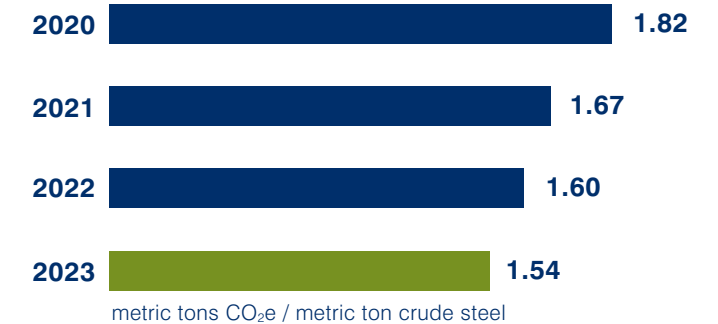
Company-wide Emissions Intensity

This chart shows facility-wide Scope 1 and 2 location-based emissions from all Cliffs production operations (including mining, pelletizing, cokemaking, direct reduction, ironmaking and steelmaking, downstream finishing, tooling, stamping, tubular components, and scrap processing facilities), with the combined production of crude cast steel from both BOF and EAF steel shops as the denominator. Scope 1 emissions are inclusive of facility-wide process and combustion emissions as reported to U.S. EPA; onsite mobile equipment emissions; and facility-wide process and combustion emissions from facilities below the U.S. EPA reporting threshold.



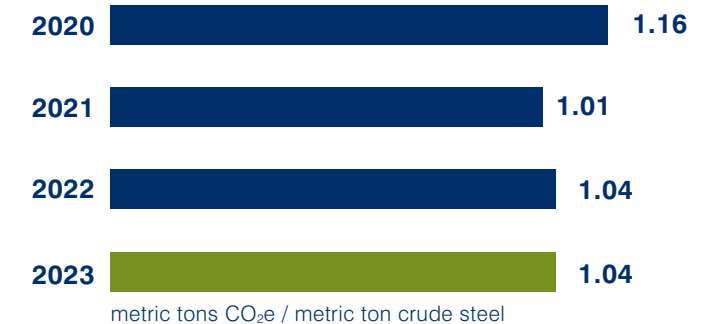
Average Emissions Intensity of our Integrated Mills

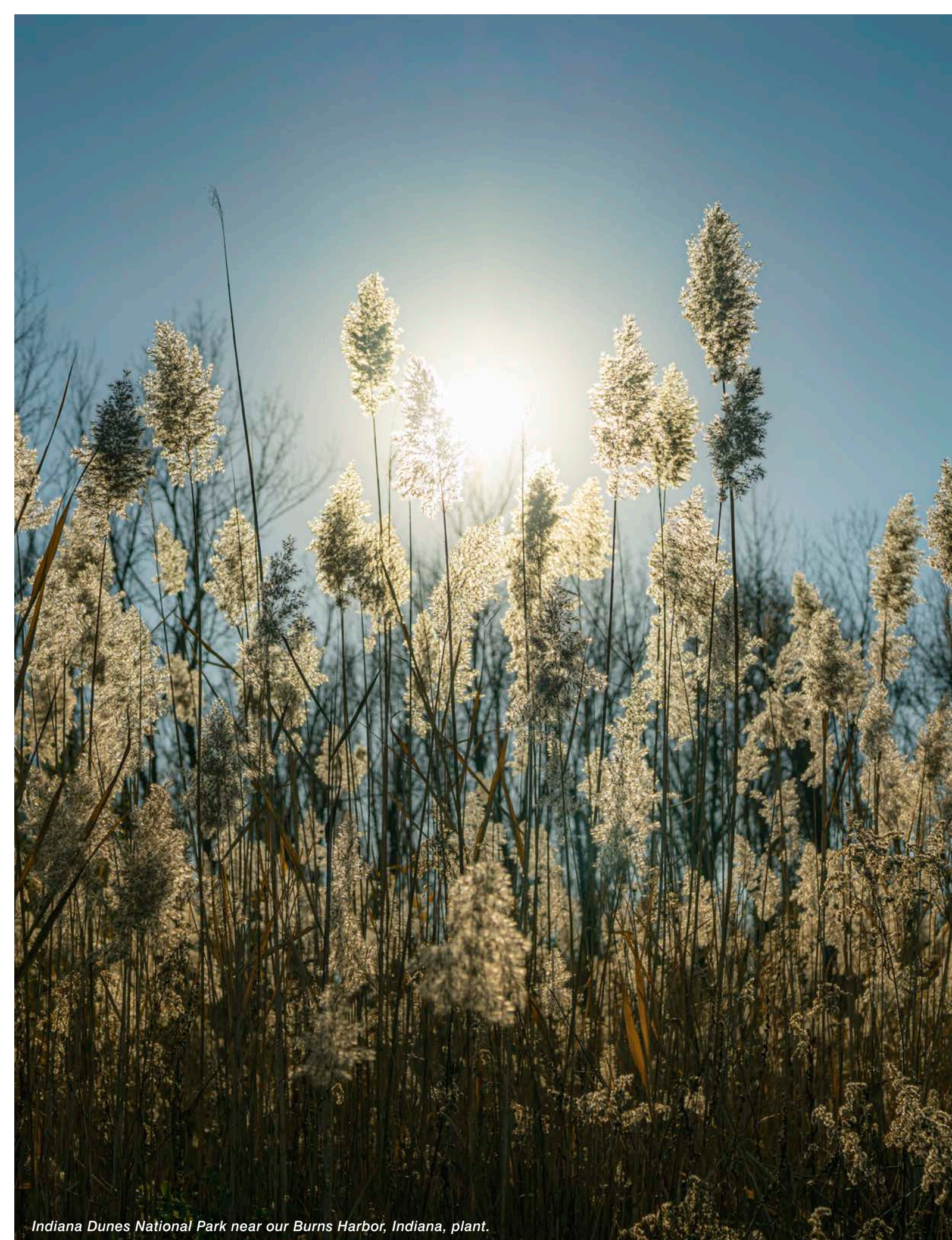
This chart shows facility-wide Scope 1 and 2 location-based emissions from all Cliffs integrated BOF facilities, with the production of crude cast steel from BOF shops as the denominator. Scope 1 emissions include facility-wide process and combustion emissions as reported to the U.S. EPA and onsite mobile equipment emissions. Our integrated mills are suppliers of steel for automotive, infrastructure and manufacturing, and distributors and converters uses.



Average Emissions Intensity of our Specialty Steel Mills

This chart shows facility-wide Scope 1 and 2 location-based emissions from all Cliffs EAF facilities, with the production of crude cast steel from EAF shops as the denominator. Scope 1 emissions include facility-wide process and combustion emissions as reported to the U.S. EPA and onsite mobile equipment emissions. Three of our EAFs operate in tandem with argon-oxygen decarburization units for the production of electrical steel and stainless steel.





Indiana Dunes National Park near our Burns Harbor, Indiana, plant.

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01

We Are Cleveland-Cliffs

Cleveland-Cliffs is the largest flat-rolled steel producer in North America and a **Fortune 200 company**. We are vertically integrated from mined raw materials, direct reduced iron, and ferrous scrap to primary steelmaking and downstream finishing, stamping, tooling, and tubing. **We are the strength in steel.**

01



Indiana Harbor #7 blast furnace, where we have commissioned a dedicated hydrogen pipeline.

CLEVELAND-CLIFFS: AMERICAN STEEL LEADER

We are leading a new standard for what it means to be a steel company by producing the highest quality steel while being bold advocates for the best practices in our industry, for our environment and for people. Steel is more than what we make. Steel represents the strength and reliability in how we lead our business, which is built for the long-term.

We set the standard on how to operate efficiently and effectively. Our unique vertically integrated profile gives us more predictable costs throughout our supply chain and more control over our production from mining to downstream stamping and tubing. We employ approximately 28,000 people—including more than 90% of our hourly workforce represented by a labor union—across our operations in the United States and Canada.

We operate seven blast furnaces and five EAFs with the configured capability of producing approximately 20.5 million tons of raw steel annually. Raw steel is generally cast into slabs and finished based on customer specifications. Finishing is completed onsite at our integrated operations or at one of our standalone finishing facilities. We believe we offer the most comprehensive flat-rolled steel product selection in the industry, along with several complementary products and services. A sampling of our offering includes advanced high strength steels (AHSS), hot-dipped galvanized, aluminized, galvalume, electrogalvanized, galvaneal, hot-rolled coil, cold-rolled coil, plate, electrical steels, stainless steels, tool and die, stamped components, rail, slab, and cast ingot. We have the scale and technical capacity to serve an increasingly quality-focused steel marketplace, and our entire product offering is backed by best-in-class customer service and delivery performance.

As a leading supplier of automotive-grade steel in the U.S., we produce the steel necessary for exacting specifications of automotive structure, body, exposed parts, and components. We are well positioned to meet the needs of these customers now and in the future. Our AHSS reduce vehicle weight while enhancing safety, improving fuel efficiency and reducing emissions. We are a leading producer of electrical steels in the U.S, which are needed in electric motors and charging stations; within charging networks; and can facilitate the modernization of the U.S. electrical grid. While we believe the future of the automotive industry is electrification, we continue to focus on product solutions for internal combustion engine vehicles currently in production to help our customers meet their strategic business goals.

In addition to being a leading supplier of automotive-grade steel, we provide steel solutions for several major industries:

- In the **infrastructure and manufacturing industry**, we serve manufacturers of HVAC equipment, appliances, power transmission and distribution transformers, storage tanks, ships, railcars, wind towers, machinery parts, heavy equipment, military armor, and railway lines.
- In the **distributors and converters industry**, we serve downstream steel service centers that purchase our steel and fabricate it according to their customers' needs.
- The **steel producers market** represents third-party sales to other steel producers, including those who operate blast furnaces and EAFs. It includes sales of raw materials and semi-finished and finished goods, including iron ore pellets, coal, hot briquetted iron (HBI), scrap, and other steel products.

Rooted in our Core Values, we believe in doing business ethically and responsibly with a focus on good corporate governance practices. We strive to mitigate environmental impacts while conserving natural resources and evaluating opportunities to decarbonize our business. We aim to create a safe and positive working environment for our employees to grow personally and professionally. We are proud to partner with labor unions. We invest in our host communities by fostering two-way dialogue and identifying impactful

ways to give back. **Cleveland-Cliffs is a leader of American manufacturing. We invest to make our business safer, stronger and more sustainable—just like our steel.** For more information about Cleveland-Cliffs, please see our most recent Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission located in the **Investors** section of our corporate website.

We are Cleveland-Cliffs.



Lourenco Goncalves, Chairman, President and CEO of Cleveland-Cliffs, speaks at the AISI General Meeting.

Lourenco Goncalves Elected Chairman of AISI

In May 2023, the American Iron and Steel Institute's (AISI) Board of Directors elected Lourenco Goncalves, Chairman, President and Chief Executive Officer of Cleveland-Cliffs, as Chairman of AISI for a two-year term.

AISI serves as the voice of the American steel industry in the public policy arena and advances the case for steel in the marketplace as the preferred material of choice.

AISI's membership is comprised of integrated and EAF steelmakers, and associate members who are suppliers to or customers of the steel industry. "Lourenco is a dynamic leader in the global and domestic steel industry and a vocal advocate for the industry in the public policy arena. He continues to be a tremendous representative for the American steel industry and our workers," said Kevin Dempsey, president and CEO of AISI.

2023 By The Numbers

28K Employees

16.4M Net Tons Record Steel Shipments

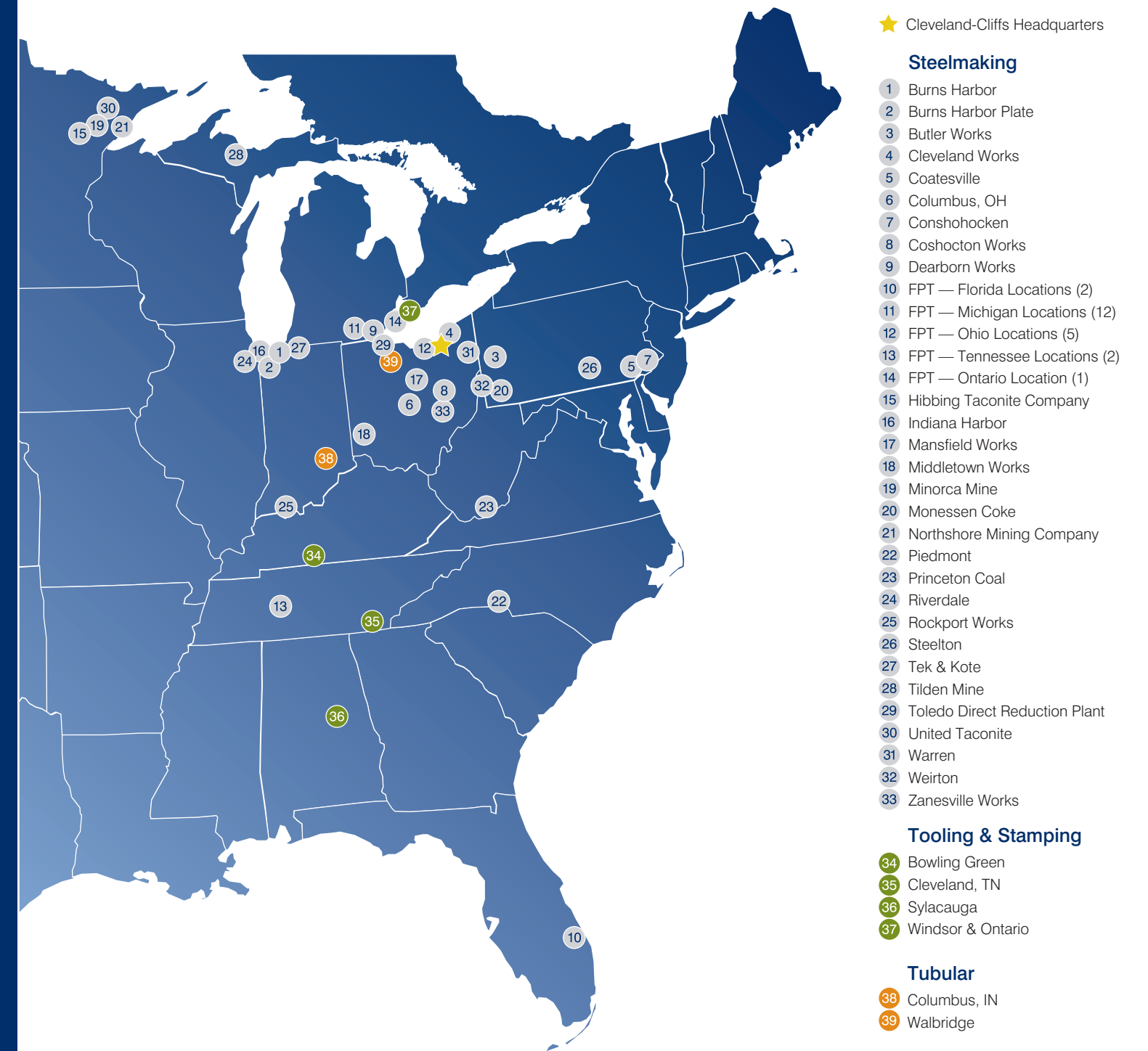
90% Hourly Workforce Represented by Unions

3rd Consecutive Year With Revenues Above \$20 Billion

36% Record High Sales to Direct Automotive Customers

Cleveland-Cliffs' Operations & Offices

While we have operations throughout the Eastern half of the U.S., we proudly call the Great Lakes region home—it's where we started 175+ years ago. Our mines, primary steel producing and finishing facilities are located in the United States, as shown in the map below. In addition to our corporate headquarters in Cleveland, Ohio, we have regional offices in West Chester, Ohio; Chicago, Illinois; Burns Harbor, Indiana; and Detroit, Michigan; as well as our Research and Innovation Center in Middletown, Ohio.



OUR SUSTAINABILITY PRIORITIES

This report is structured around five sustainability priorities: Steel for a Sustainable Society; Our Commitment to the Environment; Empowering Our People; Connecting with Our Communities; and Acting with Integrity. These priorities are important tenets of our Company identity, and we take regular action to demonstrate progress on these tenets.

We operate our business and approach sustainability in a way that supports the United Nations' Sustainable Development Goals (UN SDGs)—a blueprint of 17 global

goals shared by United Nations member states intended to stimulate action in areas of critical importance for humanity and the planet. Goals and targets derived from our business strategy align with and support global sustainable development efforts.

By focusing on these UN SDGs over the long term, we make a positive impact on sustainable development.

Below we outline how Cliffs' sustainability priorities align to specific UN SDGs.

Our alignment with specific UN Sustainable Development Goals:

Steel for a Sustainable Society

As a vertically integrated iron and steel company, we create a closed-loop steel recycling system that enables us to be a responsible steward of the environment and mitigate our impacts to climate change while creating sustainable steel solutions for the transition to a low-carbon economy. Our technical expertise and research and development capabilities allow us to continually innovate our products for a changing world. We prioritize a safe work environment with competitive compensation and benefits, and we give back to our host communities to foster their continued prosperity.



Our Commitment to the Environment

We proactively manage our environmental impacts, and we seek opportunities to conserve natural resources and restore land and habitat where possible. Our steel product solutions aim to advance the clean energy transition while decarbonizing our own business and improving overall human health and well-being.



Empowering Our People

Cliffs has a long, proven history of attracting and retaining exceptional talent. We believe our employee-centric management philosophy is the key to our success. We provide our team members with the necessary tools and education to build a meaningful and prosperous career at Cleveland-Cliffs, and we are proud of our strong union partnerships.



Connecting with Our Communities

We value our host communities and seek engagement with our neighbors and stakeholders. Through operating responsibly, strategic partnerships, charitable giving, and employee volunteering, we maintain our social license to operate now and into the future.



Acting with Integrity

Ethical corporate governance practices and responsible value chain management are table stakes to doing business. Through cross-functional internal collaboration to mitigate risks and external partnerships to research advancements in decarbonization technologies and advocate for fair policy, we are well positioned for long-term sustainability.



02

Steel For A Sustainable Society

The American steel industry is a vital component in the transition to a low-carbon economy. Efficient steel manufacturing will enable the decarbonization of many other industries as we collectively mitigate the impacts of climate change. Through our innovative steel solutions, we are **making sustainability in steel happen.**



Coils at our Dearborn Works, Michigan, plant.

AMERICAN MADE STEEL

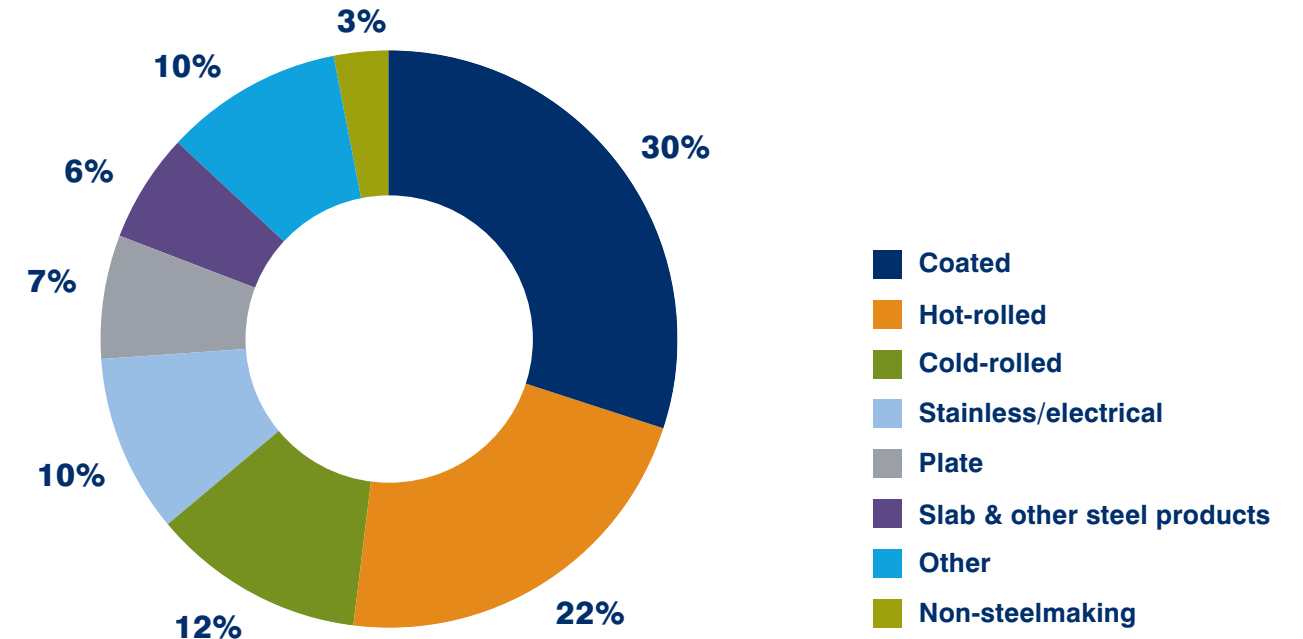
Cleveland-Cliffs offers a vast portfolio of flat-rolled and specialty steel products **made in the United States**. American manufacturers—particularly automakers—are reducing their reliance on global supply chains and bringing production back to North America. We possess the capabilities now to help our customers meet these strategic business goals. From carbon and stainless to electrical and plate steel products, we serve a diverse range of markets with the highest standards of quality, performance, and customer service. Additionally, our Tubular Components and Tooling and Stamping operating segments provide customers with carbon and stainless steel tubing products, advanced-engineered solutions, tool design and build, hot- and cold-stamped steel components, and complex assemblies.

In 2023, we increased in-person engagement with our customers in a variety of ways to demonstrate how we meet their priorities. We conducted more tours of our operations—including our mines and steelmaking operations as well as our finishing plants. We convened technical symposiums at our Research and Innovation Center, and our newly renovated office and laboratory in Michigan. These symposiums gave customers insights into how we are leading the way technologically and the opportunity to ask questions about issues important to them. Not only can we meet customers' exacting requirements effectively, we do it sustainably and efficiently.

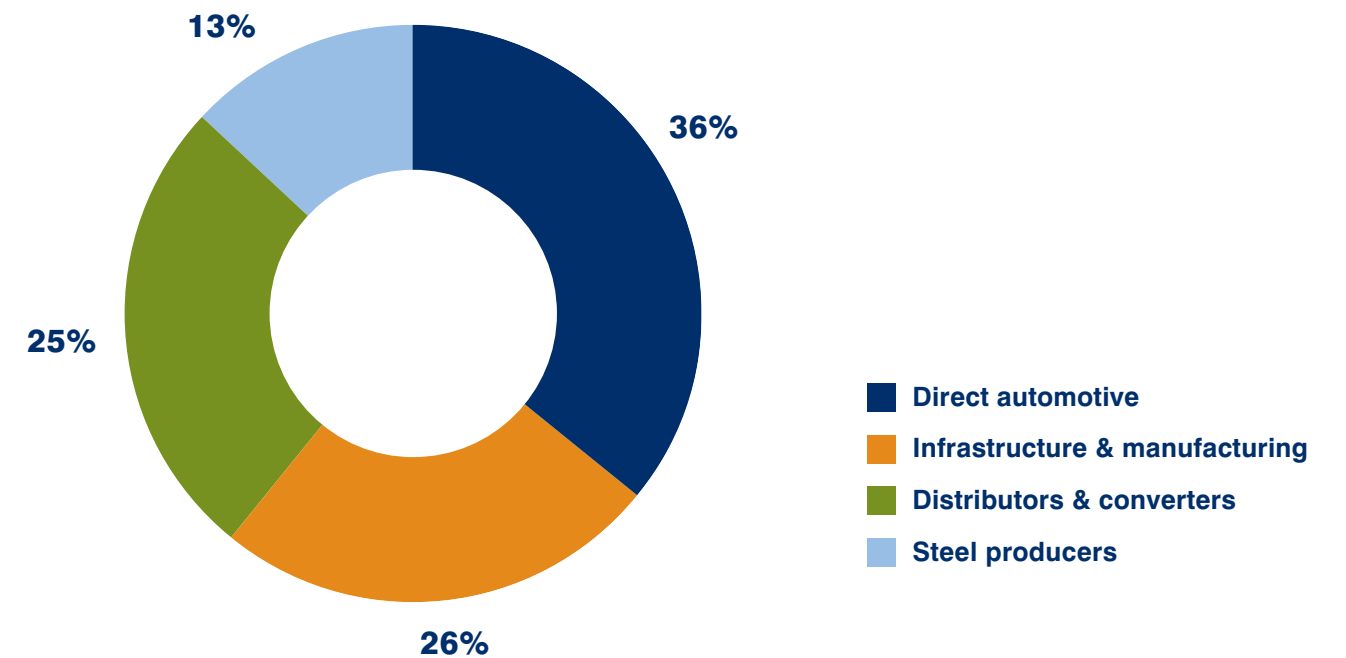


Ore vessel delivering iron ore pellets to Cleveland Works.

2023 Product Mix (By Revenue)



2023 End-Markets (By Revenue)



Cleaner Inputs for Cleaner Steel

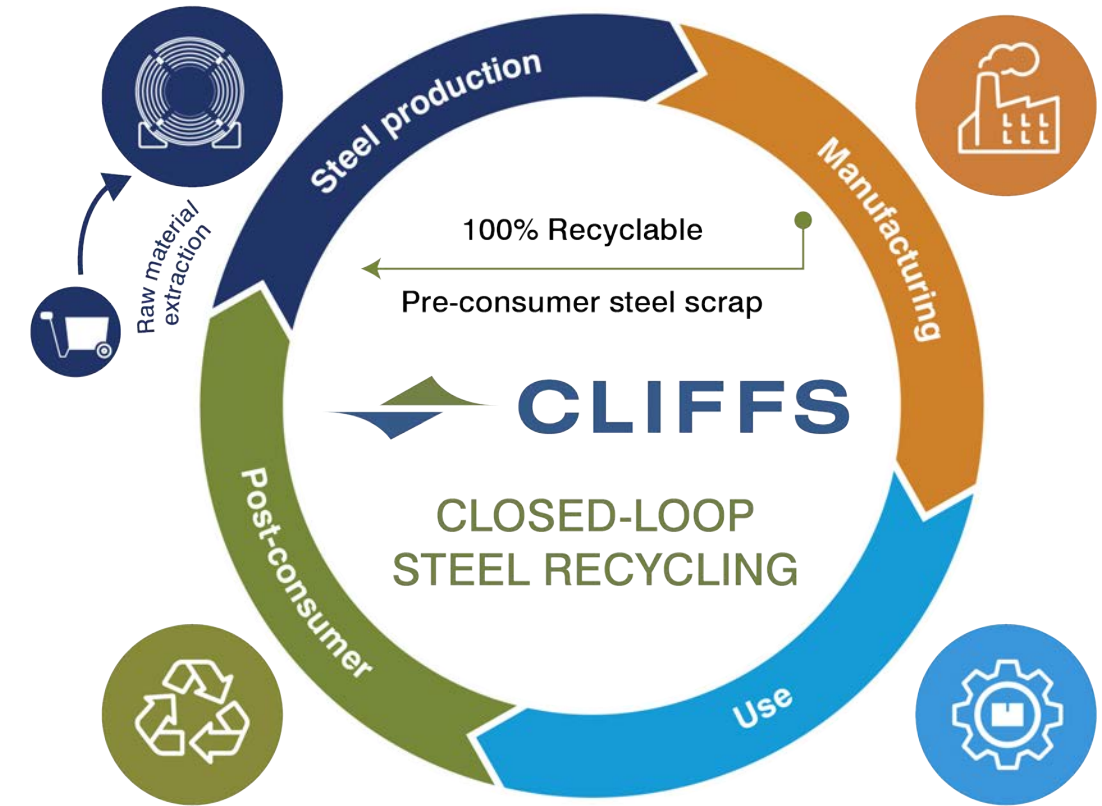
Cliffs differentiates itself as a steel producer, vertically integrated from raw materials and steelmaking to downstream finishing and scrap processing. We create recycling partnerships with customers that complement our sustainable steelmaking capabilities by recovering primarily pre-consumer prime scrap. Additionally, our Burns Harbor recycling plant not only recovers and recycles valuable iron-bearing materials (such as mill dusts, chips and sludges) for reuse from on-site operations, but receives and processes those materials from our other plants (such as Indiana Harbor and Riverdale). This practice helps conserve natural resources such as taconite ore reserves, coal/coke and limestone by reducing the amount of raw materials that need to be mined, processed and shipped. **All of the steel we produce contains recycled content.** In 2023, Cliffs recycled more than 6.6 million tons of steel scrap and recovered iron materials. In addition to recycling

scrap in our steelmaking operations, our blast furnaces can recycle iron-bearing materials such as recovered iron scrap and B-scrap or recycled agglomerated materials. Our cleaner inputs for ironmaking combined with our efficient steelmaking practices allow us to **produce cleaner steel today for a sustainable future tomorrow.**

6.6M
Tons of steel scrap and recovered iron materials recycled in 2023



Ferrous Processing and Trading's proprietary Clipress scrap processing equipment at the Nissan Manufacturing plant in Smyrna, Tennessee.



CLIFFS H™ and CLIFFS H2™

We operate North America's most modern and efficient Direct Reduction (DR) plant in Toledo, Ohio, which is centrally located on the Great Lakes and is hydrogen ready. Iron ore pellets travel from our Minnesota mines to our DR plant, where the pellets are reduced with 100% natural gas and stamped into HBI. Natural gas both reduces the iron oxide and heats the process, producing less GHG emissions compared to other energy sources that utilize coal or coke as the reductant source.

HBI is a compact, high-quality, environmentally friendly metallic source that is a premium alternative to scrap and imported pig iron. We utilize HBI as a key raw material input in all of our furnaces, including in our blast furnaces to reduce the coke rate and lower emissions. Use of our HBI in our operations is a strategic sustainability initiative that provides our customers with a cleaner steel product that helps them meet their own sustainability goals. CLIFFS H™ is a surcharge (introduced in 2023)

for steel produced with carbon-friendly HBI. We feel that the implementation of CLIFFS H™ represents customers' recognition that we should be compensated for the early and long-term investments we have made in producing steel with lower-carbon HBI.

In 2023, we saw the most consequential steps advancing towards the next phase, CLIFFS H2™, in which we will implement the use of hydrogen as a reductant. Hydrogen can be used in ironmaking furnaces to reduce carbon in the chemical reaction to convert iron ore into high-purity metallic iron. We are a leader in supporting the commercial development and deployment of clean hydrogen as a decarbonization strategy for domestic iron and steel production. For more information on CLIFFS H™ and CLIFFS H2™ please see the **Climate & GHG Emissions** section of this report.

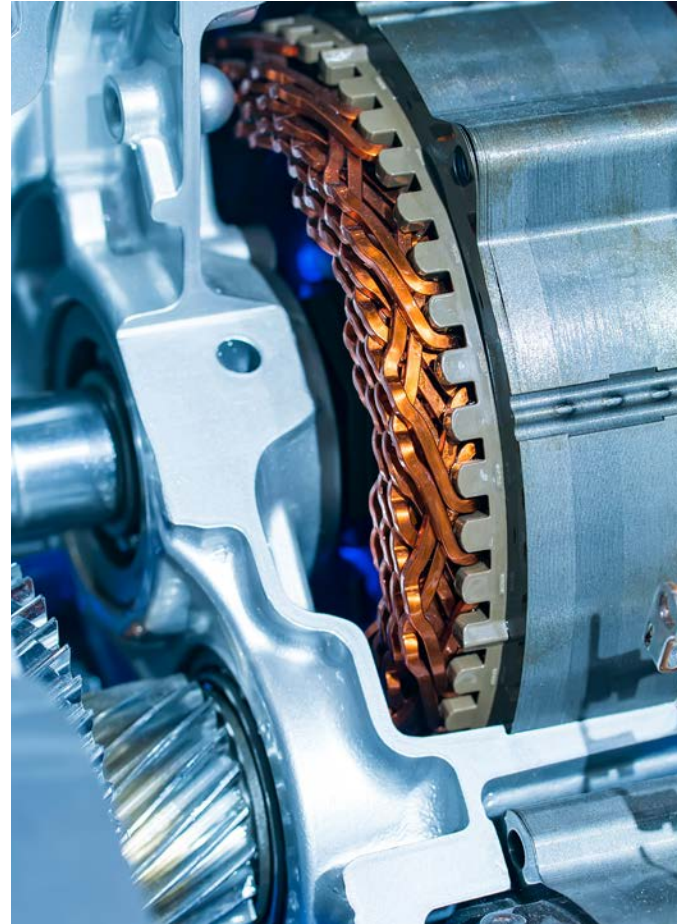
Product Innovation

Cliffs works with customers on a variety of steel product solutions that will help enable the transition to a low-carbon economy. Recent examples include specific carbon steel products designed for the structural components of solar array assemblies and many of the steels necessary for the widespread adoption of battery electric vehicles (BEVs). We continue to refine our electrical steel (such as our MOTOR-MAX™ family of products), stainless steel and steel plate product offerings to meet the evolving needs of our customers in this transition. MOTOR-MAX™ steels are automotive-quality High Frequency Non-Oriented Electrical Steel (HF NOES) grades that boast high energy efficiency and low core loss. These steel products are optimized for BEV motor performance, and are readily available today to meet customer needs. Two other major products that support the adoption of BEVs are Cliffs Steel Tubes as Reinforcement (C-STAR™) protection and Cleveland-Cliffs Battery Enclosure.

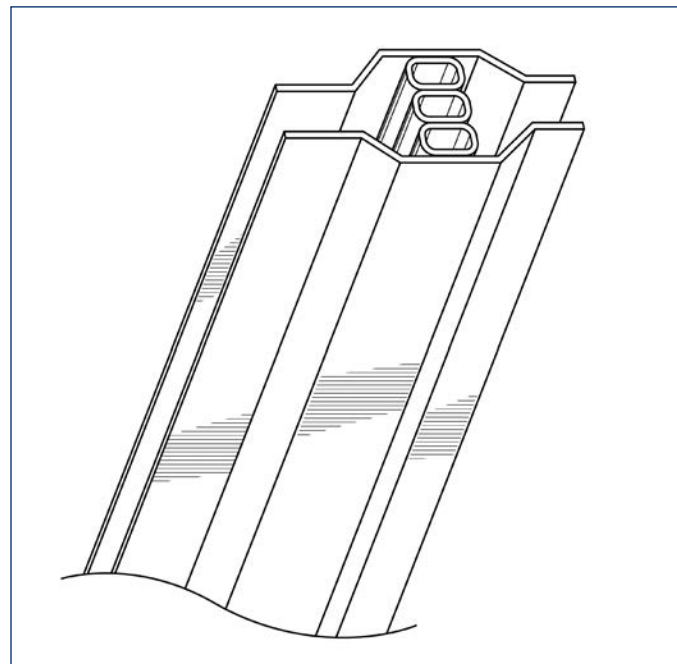
Cliffs Steel Tubes as Reinforcement

Modern vehicles use a variety of structural components to protect passengers and internal systems. In the event of a collision, the structural steel components should absorb energy and/or deform in a controlled and predictable way. When used in combination with structural components, C-STAR™ contributes to meeting this challenge. We introduced our C-STAR™ protection in 2023 as a product that was developed to provide battery protection for BEVs for improved safety performance. However, the product can be used in any type of light vehicle. A C-STAR™ structure is cost effective; versatile for scalability and performance; requires less product design space; and extends the life of a vehicle.

C-STAR™ primarily aims to replace extruded aluminum applications, which are more carbon-intensive to produce.



Example of a MOTOR-MAX HF NOES motor.



Example of a C-STAR structure in a 3-tube stacked reinforced rocker panel.



Lobby of Cliffs' Research and Innovation Center in Middletown, Ohio.

Cleveland-Cliffs Battery Enclosure

Our battery box design is an all-steel battery enclosure that utilizes an innovative one-piece bottom tray stamped in a way that eliminates the need for additional reinforcements to protect the BEV battery cells. It also has novel L-shaped side rails, pushing the limit of design while providing robust protection for a potential side impact. Our battery box design product utilizes various grades of AHSS which enables **an estimated 70% reduction in GHG emissions during material production compared to an all-aluminum design.** It also has increased thermal runaway protection;

70%

less production emissions than an all-aluminum design

is more cost effective than aluminum; and is versatile for scalability and performance such as the ability to maintain lightweighting targets. Innovation is critical for managing the dynamic marketplace to meet both performance and sustainability goals.



Cleveland-Cliffs Battery Enclosure on display at our Detroit, Michigan, office.

Electrical Steels and Steel Plate

Cliffs is a **leading North American producer of the Grain Oriented Electrical Steel (GOES) required to modernize the nation’s electrical grid.** GOES enables power transmission through transformers and high-voltage transmission lines. Cliffs supplies and tailors GOES product solutions to be used in transformers and regulators connecting solar panel arrays to the grid, enabling the U.S. to wholly manufacture solar energy installations without needing to import components separately. Our GOES are also used in electric vehicle charging stations. **Cliffs is also a major producer of Non-Oriented Electrical Steels (NOES),** and during the second half of 2023, we commissioned a \$30 million NOES expansion at our Zanesville, Ohio, finishing facility, which increased our annual NOES capacity by approximately 70,000 net tons. NOES are a critical component of electrical motors, aircraft generators and other rotating equipment.

Our steel plate products are qualified for onshore wind towers, and we are encouraged by the renewed interest in this product in 2023 as a means to increase domestic production of renewable energy. Not only is plate a key material in the transition to clean energy, but it is an integral component of America’s physical infrastructure and national security—from roadways and bridges to military vehicles, ships and railcars. Additionally, steel plate is more cost effective, quicker to install and has a longer lifespan than concrete. We have all of the

capabilities necessary to produce these critical steel solutions.

Stainless Steels

We manufacture over 50 stainless steel alloys formulated for varying durability, strength, aesthetics, fabrication needs, and temperature resistance. These types of stainless steel are used in a variety of applications, including automotive exhaust systems and trim, cookware and cutlery, household and commercial furnaces, appliances, and more. Stainless steel is easily recycled to continuously produce more stainless steel—on average, about 95% of stainless steels are recycled at the end of their useful life. Stainless steel has low maintenance costs, a long life and one of the lightest environmental impacts amongst engineering materials in the world.

For example, our stainless steel products can be paired with our AHSS and our electrical steels to provide a holistic solution to produce an electric vehicle. For automotive designers, we have developed GREYSTONE® Satin which mimics the appearance of aluminum trim components but has significantly lower GHG emissions and better recyclability. Additionally, as HVAC manufacturers look to improve their furnace efficiency to meet U.S. EPA regulations, our CHROMESHIELD® 29 Mo is available for use in premium high efficiency furnace heat exchangers.



(left) Power transmission lines; (right) Steel micro cooling components for freezers.



Cleveland-Cliffs will serve as the primary sponsor on Helio Castroneves’ No. 06 Indy car entry for the 108th Running of the Indianapolis 500.

Spotlight On: FORMTUBE® SS

In 2023, Cleveland-Cliffs partnered with INDYCAR racing organization Meyer Shank Racing (MSR) as its official steel partner. Based in Ohio, MSR has a strong racing team, including four-time Indianapolis 500 winner Helio Castroneves. Cleveland-Cliffs Tubular Components and MSR collaborated on leveraging our advanced high-strength steel tubing capabilities, including all-new High Chrome custom-designed “shop mufflers” for the race cars driven by Castroneves. These new shop mufflers reduce

noise levels during maintenance, are 30% lighter, and the High Chrome content defends against heat tint. This resulted in greater durability and easier handling, eliminating muffler oxidation and improving ergonomics for a hard-working crew of race car technicians. In 2024, we are expanding our relationship with MSR and will serve as the primary sponsor on Castroneves’ No. 06 MSR Indy car entry to the Indianapolis 500.

Product and Process Research

We have a robust team of technical experts who specialize in specific, steel-related product and process research. Throughout the year, our in-house experts make impactful contributions to sustainable steelmaking practices (including playing an instrumental role in optimizing the use of HBI and scrap in our furnaces) and help advance product development for a variety of end-uses, including automotive and renewable energy applications.

In addition to regular job activities, these experts author technical papers and assist with grant applications for steel-related industrial research projects. For example, several of our product research engineers received AISI's highest technical award, the 2023 Institute Medal, for their paper about GOES and NOES. The award was recommended by AISI's Committee on Environment and presented by our Chairman, President and CEO (also AISI Chairman), Lourenco Goncalves, at AISI's 2023 General Meeting. Established in 1927, the Institute Medal and two Finalist Medals are awarded for technical papers having special merit and importance in connection with the activities and interests of the iron and steel industry.

Papers are judged on the potential value to the future prosperity of the industry, technical excellence and originality, effective communication and breadth of interest to AISI members.

Throughout 2023, we partnered with universities, national laboratories and other industry organizations to apply for funding through the DOE's Office of Clean Energy Demonstrations for steel-related decarbonization research projects. Examples of DOE-funded projects include:

- Industrial Scale Pilot of Solid Oxide Electrolysis Cell, led by University of Wisconsin, Madison:**
 The DOE has selected a project for funding to develop, install and test an industrial scale pilot of a solid oxide electrolysis cell at our Toledo DR plant to lower GHG emissions. The pilot project will reuse a slipstream of DR process gas to generate hydrogen and syn-gas for the production of HBI. This exciting research project is being led by the University of Wisconsin, Madison, with support from Cleveland-Cliffs and other partners.



From left: Lourenco Goncalves, Garrett Angus, Chris Jones, Grant Thomas and Kevin Dempsey (AISI).

- Development and Demonstration of an Industrial Hydrogen-Fired Steel Reheating Furnace,** led by Purdue University Northwest (PNW): This DOE grant will enable PNW's Center for Innovation through Visualization and Simulation (CIVS) to lead a nationwide collaboration between several steel producers (including Cleveland-Cliffs), academia and national laboratories to pioneer a first-of-its-kind industry-scale demonstration of a hydrogen-fired, continuous reheating furnace operation. Simulation, visualization and laboratory experiments will be conducted, supported by life cycle analysis to evaluate the energy, economic and emissions benefits of this project. The grant will also help establish roadmap strategies and operation schemes for zero-CO₂ emission production in commercial furnaces with a state-of-the-art Integrated Virtual Reheating Furnace.
- Novel Heating Elements for Slab Reheat Furnace Electrification,** led by Idaho National Lab: The goal of this project is to electrify process heating with an operational resistively-heated, pilot-scale furnace to develop and demonstrate new composite heating elements. Replacing fossil fuel combustion with zero-carbon electricity can eliminate the energy-related GHG emissions of industrial heating. The team plans to design a full-scale electric furnace with the same physical footprint as current gas furnaces in an existing facility, using novel methods to fabricate advanced composite materials as heating elements with superior, high-temperature strength and creep resistance. This type of furnace has the potential to eliminate several hundred thousand tons of CO₂ per year associated with the hot strip mill. Demonstrating pilot-scale feasibility and partial conversion of an operating furnace at a major steel mill would be an economically viable decarbonization pathway for the steel industry since existing infrastructure could be used.



Lab testing at our Research and Innovation Center in Middletown, Ohio.

03

Our Commitment to the Environment

Cleveland-Cliffs' commitment to the environment spans its long history. Our approach to mitigating impacts, going beyond compliance and striving for best practices across all environmental mediums is one key reason we have not only endured for nearly two centuries, but have grown exponentially. As we plan for the future, we pursue decarbonization opportunities to **make sustainability in steel happen.**



Duck Creek wetland in its early stages of restoration, adjacent to our DR Plant in Toledo, Ohio.

ENVIRONMENTAL MANAGEMENT

Our overall environmental management program plays a key role in our success. Our corporate environmental team manages environmental-related compliance, regulatory affairs, permitting, and real estate activities for our entire operating footprint. Proper management of these important activities is critical to Cliffs' license to operate. Our corporate environmental team works closely with our Government and Community Relations team to proactively engage with our host communities and ensure we are acting as a good neighbor. The corporate environmental team also collaborates with our trade associations to ensure there is fair industry representation in new or updated environmental policy.

Two other key ways we actively manage our environmental programs is through ISO 14001 certification and environmental capital expenditures. We achieved new certification for several finishing plants in 2023, and 100% of our steelmaking facilities are certified. During 2023, we spent approximately \$66 million in environmental capital expenditures for various water treatment, air quality, dust control, tailings management, and other miscellaneous environmental projects.

Climate & GHG Emissions

Building off past success, our focus on GHG emissions reduction continued through 2023. Throughout the year, we engaged with partners for our future decarbonization strategy, including supporting research and development of lower carbon iron and steelmaking technologies and products to help reduce emissions across society.

GHG Emissions Performance

We previously reported that 2022 GHG emissions were below Cliffs' 2030 target. **2023 emissions levels remained below our 2030 target.** Cliffs was recognized for these lower emissions levels by the DOE as a Better Climate Challenge Goal Achiever through its Better Buildings Initiative. Cliffs was also featured in Season Two of the Better Climate Challenge Road Show, available to view on the DOE's Better Buildings website.



DOE representatives visit Cliffs' Toledo DR plant.



Average Emissions Intensity of Cliffs' Integrated Mills (Scope 1 & 2)

metric tons CO₂e / metric ton crude steel



^[1] Source: CRU as of 2/22/24

Path Toward 2050

Modern American Ironmaking

Cliffs operates a strategic mix of iron and steel assets, including blast furnaces that are among the most efficient in the world. Our 21st century approach to operating blast furnaces is the driving force behind our ability to produce the most demanding and high-performing grades of steel while having significantly lower emissions than typical blast furnaces found globally. We have reduced emissions at our integrated mills through our use of lower carbon fuels such as natural gas; consuming higher amounts of recycled materials; purchasing renewable energy; and utilizing HBI in our blast furnaces to help lower fuel rates, a practice not commonly followed by other global steel producers. Our lower emissions levels also support many of our customers' goals to reduce their own emissions across the steel supply chain. In 2023, Cliffs introduced the CLIFFS H™ surcharge for prime steel products, including from our integrated mills, that are made with Cliffs' HBI. CLIFFS H™ will support Cliffs' continued investment in GHG emission-reducing strategies.

Hydrogen

We are supporting the commercial development and deployment of hydrogen as a decarbonization strategy for American iron and steel production. During the next

phase of CLIFFS H2™ we plan to implement the use of hydrogen as a reductant.

In May 2023, we successfully completed a hydrogen injection trial at our Middletown Works blast furnace. During the trial, hydrogen gas was injected into all 20 tuyeres at the #3 blast furnace. With this trial, we were the first steel producer to introduce hydrogen gas as a reducing agent in a blast furnace in the Americas region. Throughout the year, we were heavily involved in prospective hydrogen hubs as part of the DOE's Regional Hydrogen Hubs (H2Hubs) funding initiative. Subsequently, the DOE awarded \$7 billion under the Bipartisan Infrastructure Investment and Jobs Act for several H2Hubs, including the Midwest Alliance for Clean Hydrogen (MachH2). MachH2 is near our two largest steel plants, where we constructed a pipeline to bring hydrogen from the fence to Indiana Harbor blast furnace #7—the largest blast furnace in North America. We completed several initial hydrogen trials at the blast furnace in early 2024. Our willingness and ability to offtake hydrogen helps with clean hydrogen development and, in doing so, may make hydrogen viable for other industries, including the automotive sector.

Carbon Capture, Utilization and Sequestration

Throughout 2023, Cliffs continued to engage with developers of carbon capture, utilization and sequestration (CCUS), primarily focused on reducing emissions from our ironmaking activities—a challenging aspect of the steel industry to decarbonize. While additional research and development is needed, we believe that CCUS will be an important long-term decarbonization solution for the iron and steel sector.

Climate-Related Governance & Risk Management

Sustainability efforts are overseen at the highest levels of our corporate governance structure through the Strategy and Sustainability Committee of our Board of Directors, which is led by our Chairman, President and CEO. Along with reviewing our strategic opportunities and projects, this committee oversees implementation of our sustainability initiatives. The Strategy and Sustainability Committee is supported in its risk oversight duties by Cliffs' Executive Vice President, Environmental & Sustainability, who oversees our environmental affairs and compliance obligations, as well as sustainability management activities and reporting. This governance structure demonstrates that sustainability is a top-down priority for Cliffs.



We take a comprehensive approach to managing climate-related risks and opportunities, including responding to the annual CDP Climate Change questionnaire.

Cliffs has maintained a “B” score for the last four years, including for 2023. This is higher than both the Global and North America regional averages of “C”, and higher than the Metal smelting, refining & forming sector average of “B-”.

We have an extensive list of actions already taken over the last few years that contribute to GHG risk management. This includes, but is not limited to:

- Investments in new low-emission facilities such as our Toledo DR plant
- The strategic acquisition of Ferrous Processing & Trading (a leading ferrous scrap processor)
- Optimization of existing company assets and operations, including consumption of scrap in BOFs and HBI in blast furnaces

- Energy efficiency initiatives through the DOE's Better Plants® Program and EPA Energy Star Industrial Partnership
- Renewable energy procurement of additive solar and wind energy, including 180MW of a new wind farm.
- Research and development with partners on CCUS for integrated mills
- Partnering with recipients on numerous DOE grants to advance research on decarbonization solutions in the iron and steel sector, including hydrogen, electrification and other initiatives
- Active participation in DOE H2Hubs program and trialing of hydrogen in ironmaking

Our product offering also contributes to our GHG risk management. We produce the advanced and specialty grades of steel necessary for emerging decarbonization solutions, doing our part as we collectively move toward a clean energy economy. See the **Steel for a Sustainable Society** section and Cleveland-Cliffs' **corporate website** for more information on our products.

We are aware of the physical risks of climate change that may impact our society. Our most recent physical climate risk assessment was performed by a third party under two scenarios, representative concentration pathway 4.5 and representative concentration pathway 8.5. This assessment of our facilities covered seven climate indicators including cyclones, drought, wildfire, temperature extremes, water stress, fluvial flooding, and coastal flooding. The modeled decadal physical climate risk exposure through the 2090s was deemed “low” for Cleveland-Cliffs. For additional information on climate-related risks to Cleveland-Cliffs, please see our **2022 TCFD Report** and our most recent Annual Report on Form 10-K, filed with the U.S. Securities and Exchange Commission and located in the **Investors** section of our corporate website.

We educate U.S. policymakers on climate-related risks and opportunities that could impact the future success of the steel industry. During 2023, we conducted direct advocacy at all levels of government on relevant and timely policy matters. We hosted a number of dignitaries from relevant government agencies and offices across our operating footprint throughout 2023 (detailed in the **Public Policy & Advocacy** section of this report). Additionally, we help advance important sustainability information and data for the American iron and steel

industry through our work with industry organizations such as AISI and the Association for Iron & Steel Technology (AIST). Our work with AISI and AIST keeps us apprised of the most pertinent issues facing our industry, and we work collectively to sustain the data-driven message that the American industry is among the cleanest and most energy efficient in the world.

Energy

Iron and steelmaking are energy-intensive processes and we remain committed to implementing energy efficiency projects across our operating footprint. We continue to work collaboratively with the DOE through their Better Plants® program to leverage training opportunities, tools and resources to advance energy efficiency.

Through this program, Cliffs has a goal of reducing Company-wide energy intensity 10% over 10 years.

For example, we conducted Energy In-Plant Training at our Middletown Works plant in March 2023. Technical professionals, who we refer to as our “energy champions”, from a cross-section of our plants gathered for three days of DOE-led training at Middletown Works and our Research and Innovation Center. Participants received expert guidance on best practices for conducting an “energy treasure hunt” at an industrial plant, such as analyzing steam systems and process heating equipment for energy-saving opportunities. Participants also received training on how to use the DOE's energy efficiency tools to calculate energy and cost savings as a result of these treasure hunts, as well as for long-term energy management.

Since the training, the corporate sustainability team has convened the “energy champions” on a quarterly basis to share energy project updates with their colleagues to help cultivate a culture of energy efficiency. Building on this training and the enhanced focus on energy efficiency, numerous energy saving projects were initiated or completed during 2023 at our mines, integrated mills, specialty EAF mills and finishing facilities. These projects included boiler and steam system efficiency, LED lighting installations, and use of more efficient equipment, pumps, motors, and fans. **Collectively, these projects are anticipated to reduce our annual energy consumption of**

electricity and natural gas by over 70 million kWh, which is equivalent to approximately 6,200 homes' energy use in one year.



Plant professionals participate in DOE-led Energy In-Plant Training in March 2023.

We are progressing against our target to purchase 2 million megawatt hours (MWh) annually of renewable power that is newly developed or additional to the existing power grid. During 2023, our focus was to evaluate behind-the-meter renewable energy opportunities. For example, a leading potential project is to develop a solar farm to generate power for one of our finishing facilities. This would be the first large-scale, behind-the-meter renewable energy project located at one of our operations.

We continue to participate in regulated utilities' voluntary renewable energy programs where available. In November 2023, Cliffs began participating in a program whereby 35% of our Dearborn Works, Michigan, plant's power needs are supplied with new solar and wind-generated electricity from the state of Michigan. We also continue to participate in a Green Power program at our Indiana Harbor and Burns Harbor plants in Northwest Indiana. All four of our iron ore mining and pelletizing operations that are served by Minnesota Power (MP) are leveraging MP's overall renewables percentage of 50% for retail customers.

It has been a longstanding practice and operational strategy to recover energy from byproduct gases from our Burns Harbor, Indiana Harbor and Cleveland Works integrated steel mills. This helps to reduce our reliance on fossil fuels and the amount of electricity we purchase, as well as ozone-forming and GHG emissions associated with Scope 2. **In 2023, Indiana Harbor generated 100% of its power needs from re-use of valuable byproduct gases.** As reported in our Sustainability Report 2022, we completed installation of the "G" generator at our Cleveland Works powerhouse. This new generator increases power-generating capacity, decreases the amount of purchased electricity and associated Scope 2 emissions and reduces flaring of blast furnace gas.

Air Quality

We implemented a number of projects in 2023 to continue improving air quality in and around our operations, while maintaining permit compliance and engaging with local communities. We continue to work with our slag processing vendors to implement technology to reduce fugitive air emissions, such as

installing additional dust suppression equipment that utilizes water mist technology at our Burns Harbor, Indiana Harbor and Cleveland plants.

In partnership with slag processors at our Burns Harbor plant, we commissioned one on-site slag granulator and successfully permitted a second granulator to be commissioned in 2024. These granulators are part of an important Company-wide initiative to reduce potential on-site fugitive air emissions while increasing use of valuable steelmaking byproducts. In 2024, we aim to commission new granulators at our integrated steel mills in Ohio. We already granulate slag at our Indiana Harbor and Dearborn Works blast furnaces. Use of slag granulation is intended to reduce potential on-site emissions compared to the practice of open pit slag cooling. Granulated slag requires less on-site processing and can be used as a lower carbon alternative to cement in concrete production. Concrete made of granulated slag meets or exceeds the performance characteristics of regular cement. For example, according to slag processors:

- Every ton of granulated blast furnace slag used in concrete production eliminates approximately 3/4 ton of GHG emissions when used in place of mined and quarried rock and mineral aggregates.
- Every ton of granulated slag used in concrete production avoids the quarrying of 1.5 tons of natural aggregate and minerals.

This substantially reduces the environmental lifecycle footprint of both blast furnace operations and concrete manufacturing while creating a valuable co-product from steel production.

As introduced in our Sustainability Report 2022, we completed rebuilds of the electrostatic precipitators (ESPs) at the BOF at both our Dearborn Works and Riverdale, Illinois plants. The ESPs are the primary emissions control devices that work together with the secondary baghouse emissions control systems. The upgraded equipment improves the performance of the emissions control system, increases redundancy and allows for unit maintenance while operating for compliance.

Water & Wastewater

Water remains a critical component to Cliffs' iron and steelmaking processes, and we continuously aim to recycle and reuse as much of this finite natural resource as we can. As discussed in our 2022 TCFD Report, we assessed physical climate hazards under two climate scenarios, including coastal flooding, fluvial flooding, drought, and water stress. Based on the results of the risk assessment, physical climate hazard exposure and financial impacts were determined to be "low" overall. Additionally, none of the freshwater that Cliffs withdraws is located in a known area of water stress.

In 2023, we set a goal to reduce consumption of purchased city water (municipally sourced) by 25% over the next 10 years from a 2022 baseline. By increasing our use of recycled water we aim to reduce potential impacts on the water utility infrastructure in our host communities and reduce direct costs of purchasing treated water.

Throughout 2023, we implemented numerous water projects across our footprint. At Rockport Works, Indiana, we continued to run non-nitric rinse on our continuous pickling line. The site quality team ran trials to confirm that this rinse can run without any impact to product or process quality. As a result, the amount of nitrates in our water have decreased by 50% year-over-year. We are entering the second phase of the project where infrastructure modifications will be made to support non-nitric pickling and additional steel grades will be evaluated.

At Cleveland Works, we installed a third skimmer on the rolling solution tanks at the tandem mill to extend solution life and reduce water consumption. Typically these tanks were drained multiple times per week. The skimmer has oil management and reduced drains to no more than one per week. Additionally, Cleveland Works estimates it will reduce water consumption approximately 23 million gallons per year as a result of adding this skimmer.

At Indiana Harbor, we employ numerous process and non-contact cooling water recycle systems, to minimize wastewater discharges from the facilities. For example, the master recycle system includes several internal process water treatment plants that recycle

approximately 95% of process water from the rolling mills and finishing mills.

We have been completing the CDP Water Security questionnaire for the past three years and earned a "B" score for our 2023 response. This questionnaire is a comprehensive disclosure of a company's approach to water management, including governance of water issues; risks and opportunities; business impacts; programs and initiatives; and goals and targets.

700B+
gallons of water recycled in 2023

Waste & Hazardous Materials

In 2023, we internally completed a Company-wide high-volume waste stream assessment across our steelmaking operations and developed alternative solutions for disposal and potential reuse. This work was in preparation of setting a waste reduction goal. Generally, our integrated and stainless EAF steelmaking operations generate the highest volumes of waste annually. Not only is waste disposal costly but it can result in potential environmental releases to air, ground and water. Through our inventory process, we discovered opportunities to recover valuable byproduct materials and increase our recycling and reuse rates across our footprint. **As a result of this assessment, we set a goal to reduce waste disposal 10% over the next 10 years from a 2022 baseline.**

Several waste reduction and reuse projects were underway in 2023. At Coshocton Works, Ohio, we began sending sludge from the on-site wastewater treatment plant to a third-party soil reclamation firm for their use to close an old landfill. At Zanesville Works, Ohio, we moved from 70% hydrofluoric acid to 30%. Hydrofluoric acid is used in our annealing and pickling lines to

achieve the quality specifications needed for further downstream finishing. By switching to lower concentrations of acid, the plant was able to significantly reduce its immediate risk of environmental impacts and expects to realize long-term benefits from this practice. At our Dearborn Works plant, we conducted a trial to collect BOF dust and ship offsite to a third party specializing in metals recovery. Typically these waste streams would go to landfill, so we are seeking ways to recycle and reuse these materials to decrease landfilling. This specialty firm already recycles EAF dust from all of our EAF plants.

Burns Harbor Recycle Plant

We operate one of two remaining iron recycling plants (formerly known as sinter plants) in the U.S. at our Burns Harbor integrated mill. Our Recycle Plant does not operate the same as sinter plants of the past. Today we only consume pelletized iron ore in our furnaces rather than the prior practice of consuming sintering ore. At integrated steel mills in the U.S., significant quantities of fines are generated from a variety of iron-bearing materials throughout the steelmaking process. These materials cannot be returned directly back into the iron and steelmaking processes because of their small size, so the Recycle Plant takes these materials and combines them into a larger valuable iron unit (also known as revert) that can be used in the blast furnace.

Recycle plants not only recover and recycle valuable iron-bearing materials for reuse from on-site operations but can receive and process materials from other plants. This practice helps conserve natural resources (such as taconite ore reserves, coal/coke and limestone) by reducing the amount of raw materials that need to be mined, processed and shipped and mitigating the significant associated costs. Recycling also optimizes and improves the raw material inputs to our steelmaking process, reduces the amount of material that would otherwise be landfilled, and reduces overall emissions. Since 2018, our Recycle Plant’s GHG emissions have decreased by over 45%. On average, the Recycle Plant recycles 970,000 tons of iron and steelmaking reverts annually.

970K

tons of iron units recycled at Burns Harbor annually

Land Management & Biodiversity

It is important to us that we are a responsible steward of the land, its natural resources and biodiversity. We take great pride in our operations and the surrounding areas to ensure we act as a good neighbor to our host communities. Cliffs continues to partner with nationally recognized conservation organizations such as Wildlife Habitat Council and National Fish and Wildlife Fund (NFWF) to extend the reach of our efforts. The Cleveland-Cliffs Foundation (our Foundation) contributes to four NFWF Funds that support projects near our major operational hubs: Sustain Our Great Lakes, Southeast Michigan Resilience, Chi-Cal Rivers, and Central Appalachia. Read more about our support of these NFWF Funds in the **Connecting with Our Communities** section of this report.



As reported in our previous two sustainability reports, we continue to work with local partners to maintain the Duck Creek wetland that is adjacent to our Toledo DR plant. As a result of our collective efforts, the project team—referred to as

Duck Creek H2Ohio—received the Lighthouse Beacon Award of Excellence in the category of Environmental Improvement/Mitigation from the American Association of Port Authorities. More than 2,000 feet of Duck Creek and over 10 acres of wetlands were restored through this project, including re-establishment of native plants to help provide a healthy and diverse natural habitat for wildlife and reduction of nutrients that feed harmful algae blooms in Lake Erie.

At our Hibbing Taconite mine in Minnesota, we planted 95,000 red pine tree seedlings in the summer of 2023, covering more than 110 acres of unreclaimed stockpiles. This tree planting project goes beyond the typical mined land reclamation approach of using native grass and flower seeds to meet minimum mine reclamation standards. Building off this planting success, we are examining innovative forestry reclamation with a new plan, Project Greenwood. The goal of Project Greenwood is to implement the Forestry Reclamation Approach, a set of science-based best management practices developed by scientists and practitioners, used in the coal mining regions of Appalachia to strengthen species richness, minimize non-native species and promote the natural success of forest on mine lands. We aim to officially launch Project Greenwood in summer 2024.

At our Burns Harbor plant, our Plant Beautification Team continues to maintain and improve the land and habitat on and around the property. In 2023, the Beautification Team worked with partners from Dunes Learning Center and Shirley Heinze Land Trust to remove 1.5 acres of invasive garlic mustard and conduct herbicide treatment of five acres near our Deerfield Woods Training Center site in the spring.

The Beautification Team also:

- Cleared invasive species and weeds and planted native plants on plots of land outside the Environmental office building that help mitigate fugitive dust and storm water.
- Started a larger green space project next to the Environmental office building by prepping the land



Burns Harbor Plant Beautification Team participating in a routine clean-up event.



Innovative forestry reclamation at our Hibbing Taconite mine in Minnesota.

to plant native trees and shrubs to reduce fugitive dust, as well as seed the area with native grasses and flowers to help with water filtration.

- Maintained the native butterfly garden, including building a fence around the outside to allow expansion without being mowed and installing a bench for employees to sit and enjoy the garden. The Beautification Team is tracking the propagation of the plants that were planted in 2022.

04

Empowering Our People

The importance of a safe working environment and the health and well-being of our people cannot be overstated. Without this foundation, Cleveland-Cliffs could not operate a sustainable business. Beyond this, we provide employees the tools and incentives to build a lasting and rewarding career at Cliffs because it is our employees that make the strength in steel happen.



A Cliffs employee observes operations at our Middletown Works plant during Energy In-Plant Training.

HEALTH & SAFETY

Safe Production is our primary Core Value. We are committed to keeping each other safe through proper training and procedures, well-maintained equipment and good housekeeping across our entire footprint. The importance of a zero injury culture is integrated into all of our programs. Our health and safety initiatives, policies and standards operate under our Life Saving Rules—the important tenets we follow that are designed to keep our employees safe from serious injury or fatality.

We constantly monitor our safety performance and make continuous improvements to effect change and ensure that everyone returns home the same way they arrived to work. Best practices and incident learnings are shared throughout the Company to ensure each facility can administer the most effective policies and procedures for enhanced workplace safety.

In 2023, Cliffs reorganized its corporate health and safety team and welcomed additional staff to better support our operations and offer more resources—including a director of security, director of railroad safety, and program manager of safety training to enhance our learning approaches to health and safety. While the plant managers remain ultimately responsible for the health and safety of their respective plant and employees, the corporate health and safety team members serve as technical and program experts to enhance and improve operational safety in collaboration with plant management. While organizational updates were made in 2023, we intentionally maintained our existing safety programs and procedures to reaffirm our commitments and ensure that the entire Company is on the same page about the importance of safety.

Safety Programs & Initiatives

We focus on proactively identifying needed prevention activities, establishing standards and evaluating performance to mitigate any potential harm to people, or losses to equipment, production, and the environment.

We have implemented intensive employee training that is geared toward maintaining a high level of awareness and knowledge of safety and health issues in the work environment through the development and coordination of requisite information, skills and attitudes.

For example, our Serious Injury and Fatality (SIF) prevention program is industry leading in the recognition of injury potential, investigation and applying actions to prevent the potential exposures to workers in our facilities. The SIF program reinforces our Life Saving Rules and Safe Production Core Value.

Additionally in 2023, we began formally co-hosting quarterly health and safety meetings with local United Steelworkers (USW) represented team members. These meetings are attended by plant managers, safety managers and union leadership, and are used to provide general health and safety updates; preview new program rollouts; and facilitate open dialogue with employees and leadership to ask questions or raise concerns. We also share pertinent health and safety data and trends.

During 2023, Cliffs formally adopted at all of our facilities ISNetworld®, a leading online contractor management platform intended to share best practices, benchmark performance and provide data insights. Cliffs uses this platform as a pre-qualification and ongoing monitoring system to collect, review and monitor contractor health, safety, sustainability, financial, and procurement information. This tool helps ensure that our contractors are up-to-date on critical health and safety training and applicable certifications that are aligned to our Company philosophy and meet our high standards.

We focus on proactive sustainable safety initiatives, and results are measured against established industry and Company benchmarks, including our Company-wide Total Reportable Incident Rate. During 2023, our Total Reportable Incident Rate (including contractors) was 1.22 per 200,000 hours worked.

Safety & Environmental Performance Recognition

In April 2023, the West Virginia Coal Association recognized and celebrated exemplary mine safety and environmental excellence at the West Virginia Mining Symposium. Cleveland-Cliffs' Princeton coal mine received the Bart B. Lay Milestone Safety Award—the top safety award in the state for surface coal mine operations, as well as seven other safety awards for its surface, underground and loadout operations. Inspectors from the West Virginia Office of Miners' Health, Safety and Training evaluate all coal mine operations and contractors to nominate and select safety award winners. Princeton also received a state of West Virginia Environmental Excellence Award for exemplary construction and reclamation techniques that resulted in ecological benefits.

The Cleveland Works Railway Company was awarded an Eastern Region President's Safety Award by the American Short Line and Regional Railroad Association (ASLRRA). This annual safety award program recognizes the contributions and achievements of short line railroads in an effort to bring greater visibility to railroad safety. Award winners achieved an outstanding safety record of either a 0.0 accident frequency rate, or the best safety rate as measured by the lowest accident frequency rate per person-hour of operation below the industry average.

Additionally, our Coatesville, Pennsylvania, Brandywine Valley Railroad Company was awarded the "Jake with



Team members from our Princeton coal mine accept the safety and environmental awards.

2023 Safety Metrics

1.22

Total Reportable Incident Rate

(including contractors)
per 200,000 hours worked

59M+

Employee hours worked

36%

Reduction in SIF exposures

28

Average hours of health and safety training per employee

Distinction” Safety Award, also given by the ASLRRA. To receive this award, a member railroad must perform better than the Class II and III industry average injury frequency rate as reported by the Federal Railroad Administration during the prior year.

Talent Management

We believe our employee-centric management philosophy is the key to our success. Our future success largely depends upon our continued ability to attract and retain a highly skilled workforce and foster their health and well-being.

Learning and Development

In 2023, our corporate HR team focused on increasing and enhancing our learning offerings in our online learning management system (LMS). Cliffs Talent Development team provides a full suite of educational opportunities that are available to all our salaried employees to help them refine their skills and further strengthen a high-performance workforce. These courses span a variety of interests, such as understanding steelmaking; health and wellness; financial and retirement planning; and professional development topics.

Salaried employees can review learning topics in our LMS based on the most popular trainings, topics of personal interest or recently added offerings. Employees also have individual dashboards where they can access their learning transcript to view a record of learning history.

Early Careers Programs

Our early career programs start with our internship program, a best-in-class program that creates a strong pipeline of early career talent as participants transition to full-time employees at a high rate. Through this program we provide college students with meaningful projects and work assignments and establish Cliffs as an employer of choice. In 2023, Cliffs hired 165 students from 31 schools, comprised of 115 interns and 50 new college graduates.



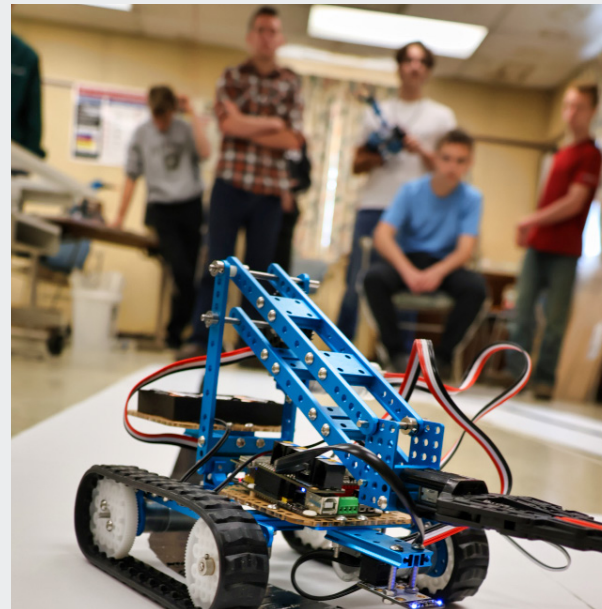
DOE experts conduct energy efficiency training with Cliffs employees at our Research and Innovation Center.



Delegates from the U.S. Department of Energy (DOE) and Purdue University Northwest (PNW), along with other industrial partners, visit Indiana Harbor #7 blast furnace to launch a DOE-funded steel decarbonization research project.

Spotlight On: Coshocton Robotics Camp

In 2023, we increased our participation in high school career fairs and developed the inaugural Cleveland-Cliffs Robotics Camp. Our goal was to improve student engagement. We developed interactive electrical and pneumatic gadgets to illustrate electrical and mechanical career pathways. Notably, our Coshocton Works human resources department and our corporate Technical Training team developed and implemented curriculum to present a weeklong robotics learning event for 14 local high school students. The students worked in teams to build and program their robots and invited family and Coshocton community members, as well as a representative from Ohio Senator Brown’s office, to attend the final day competency presentations.



Students test a robot during the Robotics Camp at Coshocton Works.

Skilled Craft and Apprenticeship Training

Our commitment to skilled craft and apprenticeship training programs continued throughout the year, amplifying our employees’ abilities to install, repair and maintain equipment at all our plants. Evidence of this commitment is illustrated by 734 employees receiving either their initial qualification training, craft upskilling or training in advancing technologies. We also received and appreciated the increased support of government grant dollars, which helped to offset plant training costs.

Our Toledo DR plant partnered with a U.S. Department of Labor Intermediary—National Institute of Metalworking Skills (NIMS)—to launch a Mechanical and Electrical Apprenticeship and credentialing program for DR plant operators to become Process Technicians. Through this program, the plant will receive \$200,000 in additional training grants as employees become credentialed.

734

employees received skilled craft training in 2023

Compensation & Benefits

Cliffs offers above industry average total compensation opportunities, consisting of competitive base salaries and incentive-based bonus programs that provide above-market compensation opportunities when our Company performs well. Our compensation program helps attract, motivate, reward, and retain high-performing employees.

In addition to competitive base salaries and incentive-based bonus programs, Cliffs offers a robust benefits package that promotes well-being across all aspects of their lives, including health care; retirement plans; medical, dental and vision plans; life and disability

insurance; flexible spending and health savings accounts; wellness programs; tuition assistance; and paid time off. Through our medical plan provider, we also offer an Employee Assistance Program that provides our employees and their families with access to counseling services, legal consultation, crisis consultation, dependent care and daily living resources, mental health services, and financial consultation. In addition to these programs, we have used targeted, equity-based grants with vesting conditions to facilitate retention of key personnel. These tools have enabled us to increase the retention of key personnel, including our corporate and site leadership teams and critical technical talent.

Rewards & Recognition

New in 2023, we launched our “Thanks a Ton” Employee Recognition Platform for salaried employees. This program allows Cliffs employees to recognize the great work of their colleagues, with the intent to foster stronger connections and a sense of belonging in the workplace and turn everyday actions into meaningful

rewards. Rollout of this program included a training session through our LMS on how to use the platform and tips on how to maximize use of the program for people leaders and individual contributors. Thanks a Ton functions similar to a social media platform, with a newsfeed feature so employees from various locations can view others’ recognition, and “like” or comment on a recognition post to give extra kudos to a job well done. The platform also allows colleagues to recognize team member birthdays and work anniversaries. Employees can then redeem their earned points for rewards from a vast catalog, including gift cards, personal electronics and travel experiences. In the first six weeks of the program, more than 5,000 recognitions were given through the platform.

Cliffs also recognizes that referrals from existing employees are our best source of future talent. Our employee referrals program rewards employees for actively participating in the Company’s future and growth.



Cliffs employees at our Research and Innovation Center discuss product development.

Diversity, Equity & Inclusion

We are committed to building and fostering a diverse, equitable and inclusive workforce as a leading domestic steel producer. Another important Core Value at Cliffs is Trust, Respect, and Open Communication, whereby we maintain open and honest communications to build trust, accept and encourage others' viewpoints and support gender and racial diversity. Cliffs is an equal opportunity employer, and our **OneCliffs Way of Doing Business** provides that we will not make employment-related decisions nor will we discriminate based on race, color, religion, national origin, age, military or veteran status, disability, sex (including sexual orientation and gender identity), pregnancy, genetic information, ethnicity, or any other characteristic protected by applicable law. We strive to make Cliffs a safe place to work for all. Harassment and/or intimidation are not tolerated anywhere in our Company. This allows our employees to develop a career at Cliffs by focusing on the meaningful and challenging work at our Company.

Cliffs is proud to support our veteran employees and have received recognition for these efforts. We are also proud to support our women employees and encourage them to join women-focused industry groups through such organizations as The Manufacturing Institute, AIST and Metals Service Center Institute.

#13
 on Forbes' America's Best Employers for Veterans list



Cliffs employees participated in AIST's inaugural Women in Steel conference.

Labor Relations

The hardworking, union-represented men and women of Cliffs are the lifeblood of our Company. At Cliffs, we know that maintaining strong, positive relationships with labor unions is key to our long-term growth. We recognize and respect the right of our employees to freely associate and collectively bargain, and we do not engage in harassment, intimidation or retaliation for their efforts to bargain collectively.

More than 90% of our hourly workforce is represented by three prominent unions: United Steelworkers (USW), United Auto Workers (UAW) and International Association of Machinists and Aerospace Workers (IAM). Our employees operate and maintain our facilities, and are ultimately responsible for safely delivering a quality product internally and to our customers. Therefore, we engage with our unions as business partners, and together we have achieved a number of successes that benefit our business and our employees alike.

We successfully renegotiated all of our open labor agreements during 2023 without any difficulty or disruption. Our hourly employees at our Northshore Mining operation elected to unionize in 2023, and we successfully negotiated a new labor agreement with the USW on an expedited basis. These positive partnerships help us remain competitive for talent and protects our customers and their supply chains from disruptions due to labor disagreements. Additionally, union employees are encouraged to ask questions or raise concerns about their working experience through the multiple avenues we make available to our employees to facilitate open dialogue. We are pleased to report that Cliffs did not experience any strikes or lockouts in 2023.

Cliffs' employees successfully ratified the following labor contracts in 2023:

- Four-year agreement with the USW, covering employees at Walbridge Tubular Components
- Three-year labor agreement with the USW, covering employees at Northshore Mining. Previously, Northshore was not unionized, and much collaboration went into developing an agreement aligned to local culture.
- Three-year labor agreement with the UAW, covering employees at Coshocton Works
- Four-year agreement with the IAM, covering employees at Middletown Works
- Four-year agreement with the International Union of Bricklayers and Allied Craftworkers, covering employees who perform masonry work at Indiana Harbor
- Four-year agreements with the following unions: Brotherhood of Maintenance of Way Employees Division; Brotherhood of Railway Carmen; International Brotherhood of Electrical Workers; International Association of Sheet Metal, Air, Rail and Transportation Workers-Transportation Division; Transportation Communications Union; Firemen & Oilers; and IAM, covering employees at the Lake Superior and Ishpeming Railroad



05

Connecting with Our Communities

One of our most important stakeholder groups are the local communities that host our operations. We engage directly with residents, elected officials, community leaders, and organizations to foster open communication and ensure we are a good neighbor. Through the Cleveland-Cliffs Foundation, we support important needs of our communities. Through our dedicated employees, we donate our time and expertise to meaningful causes. **This exemplifies how steel strengthens and sustains our communities for long-term success.**



An employee from our Coatesville, Pennsylvania, plant marched in the annual Coatesville Christmas Parade.

STAKEHOLDER ENGAGEMENT

Throughout 2023, we continued our engagement with local host communities, and we refined charitable giving and strategic partnership priorities. In 2022, we focused on engaging with our larger operational hubs as we continued integration of our steel operations. As a more established brand in 2023, we engaged with communities around our smaller operations to foster meaningful connections and enhance long-term relationships.

Cleveland-Cliffs' Government and Community Relations team works together to serve many of our key stakeholders—from local residents to government officials to civic leaders and non-profit organizations. This team also works cross functionally with other corporate departments on specific initiatives to demonstrate a unified approach to stakeholder engagement. It is important to have this unified approach so all teams are aligned on Cliffs' corporate strategy, messaging and Core Values.

Community Engagement

Our Government and Community Relations team was busy in 2023 across all aspects of community engagement, including: hosting plant tours; engaging with residents and community stakeholders; presenting to community groups; facilitating employee volunteerism and charitable giving; providing local government relations support; and working to advance Cliffs' strategic partnerships. The team manages inquiries for their respective operations through our Community Inquiry Program—a communications vehicle accessible through our corporate website—which continues to serve as an important tool for facilitating dialogue with stakeholders. The team works hand-in-hand with the Executive Director of the Cleveland-Cliffs Foundation (our Foundation) to understand the needs of particular communities, evaluate funding opportunities and ensure

our giving is equitable across our operations. The team also works collaboratively with the Director of Strategic Partnerships to vet opportunities that align with the Company's Core Values and philanthropic areas of focus.

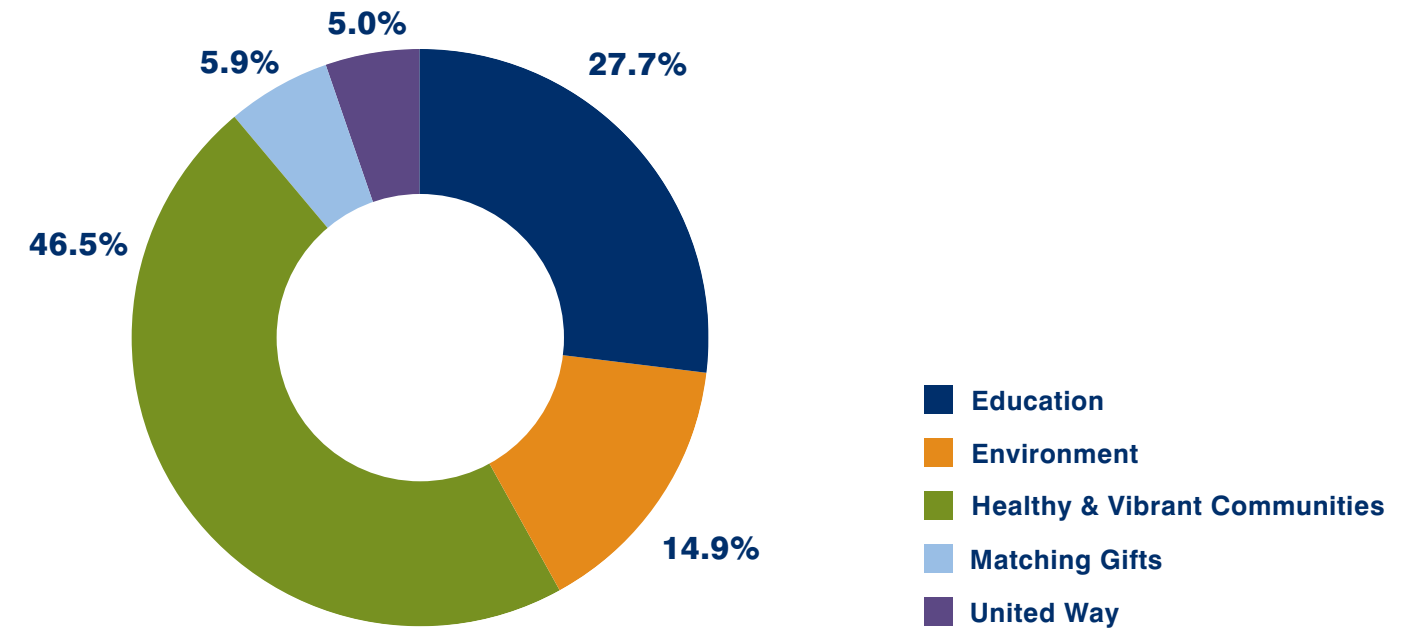
Charitable Giving

During 2023, we stayed the course relative to charitable giving by utilizing our long-established avenues: our Foundation, site-specific programs and events, employee volunteerism and giving, and corporate strategic partnerships. **In 2023, Cleveland-Cliffs donated approximately \$7.5 million to our local communities.**



Cleveland Cavaliers legends Austin Carr (left) and Campy Russell (right) sign autographs at the Butler Farm Show during the Bigger Than Basketball Tour.

2023 Giving by Program Area



The Cleveland-Cliffs Foundation

Our Foundation aims to make a positive impact in the areas where we operate, and has three main focus areas for partnership and investment: Education, Environment and Healthy & Vibrant Communities. Our Foundation also administers our Employee Giving and Matching Gift Program; college scholarship programs; and supports specific corporate partnerships such as the National Fish and Wildlife Foundation.

Employee Giving and Matching Gift Program

Our Employee Giving and Matching Gift Program has three main goals:

- Encourage our employees to give back to non-profit organizations they value
- Increase total community impact by matching employee donations
- Reinforce our commitment to supporting our local communities

Every full-time employee is eligible to have up to \$1,500 of their personal charitable donations to qualifying 501(c)(3) organizations matched per year. All matching gifts facilitated via the program are unrestricted to the recipient organization so they are able to utilize the donation as best as they see fit. In 2023, our Foundation matched nearly \$550,000 in total employee donations.

\$550K
in total employee donations matched in 2023

Scholarship and Education Programs

Cliffs is proud to continue funding its two signature college scholarship programs: Sons and Daughters Scholarship Awards and the Louie F. Cox African American Scholarship Program. Every summer we announce the recipients of the Sons and Daughters Scholarship Awards, which recognizes graduating high school seniors of our employees for their outstanding academic achievement, leadership and community involvement. A panel of independent college professionals selected by our scholarship administrator, College Now, reviewed applications through a rigorous and competitive process. In 2023, we awarded 40 new scholarships to high school seniors worth a maximum of \$12,000 each toward college expenses over four years. Since 2020, Cliffs has awarded 135 scholarships through this program.

The Louie F. Cox Scholarship is open to African American students graduating from high school in Butler and Warren counties in Ohio. This scholarship honors a former employee who was a civil rights advocate, president of the local chapter of the NAACP and community leader in Middletown. We have provided financial support for this scholarship for more than 20 years.

In addition to the Sons and Daughters and Louie F. Cox Scholarship programs, in 2023, our Foundation provided a grant to Bluefield State University in West Virginia to support a student scholarship over the course of four years. Bluefield State is an Historically Black College and University located not far from our Princeton coal mining complex. The university has reestablished a Mining Engineering Technology curriculum and we are pleased to fund a scholarship that will aid students who pursue this program and serve to build a talent pipeline for the mining industry. Our Foundation also granted \$8,000 to support student scholarships through the Mesabi Range College Foundation. This scholarship opportunity is targeted to support students in the fields of engineering and technical trades.

We value partnering with area schools and non-profit organizations highlighting education and career readiness programs. For example, in partnership with the Toledo Public Schools Foundation, we sponsored the Birmingham Elementary Family STEMM (Science,



Cliffs representatives demonstrate science experiments at the Birmingham Elementary Family STEMM Night in Toledo.

Technology, Engineering, Math, Medicine) Night. More than 200 students and their families attended the event, which provided families with an opportunity to engage in science experiments while also learning about the variety of industries in the greater Toledo area. Information tables, activities and hands-on demonstrations were hosted by representatives from a range of businesses, including Toledo Fire, National Museum of the Great Lakes, Toledo Federation of Teachers, Health Partners of Western Ohio, Aerospace & Natural Science Academy, Toledo Technology Academy of Engineering, Toledo Pre-Medical and Health Science Academy, Imagination Station, Toledo Metroparks, and Cleveland-Cliffs. Our Toledo DR plant hosted several other STEM-related events throughout 2023.



Employees at Tubular Components in Columbus, Indiana, gather around their winning Souper Bowl food donation.

Healthy & Vibrant Communities

We are proud to support non-profit organizations working to enhance the communities where we operate. 2023 was another successful year for our Company-wide Souper Bowl Food Drive. In early February around the time of the NFL Super Bowl game, employees from every Cliffs office and facility participate in a friendly competition to collect non-perishable food items and/or monetary donations in support of local food banks and pantries. **In total, we collected more than 240,000 pounds of food for our 2023 drive.** Cleveland-Cliffs Tubular Components in Columbus, Indiana, emerged as the 2023 Souper Bowl Champion, collecting more than 216 pounds of food per employee. The food was donated to the local Love Chapel Food Bank, which also received a \$10,000 donation from our Foundation. **Additionally, our Foundation donated \$500,000 to support food distribution organizations across local host communities to complement the donations made by our employees.**

In 2023, our Foundation pledged \$500,000 to the Duneland YMCA to support a Healthy Living Campus and new community park. The project is combining adaptive reuse and new construction to create a vibrant and innovative community hub in the heart of Chesterton, Indiana. Our Foundation's support will enable the new park to be built and accessible to the entire community.

Our Foundation—along with several local philanthropic organizations—funded a new accessible canoe and kayak launch for Opportunity Enterprises at their Lake Eliza property in Porter County, Indiana. The project is designed for individuals who use wheelchairs or have other mobility challenges to provide them access to water recreation activities that they did not previously have. Opportunity Enterprises hopes that other community organizations will benefit from this newly created water access. Opportunity Enterprises is recognized as one of the premier agencies in Northwest Indiana that is equipped to serve individuals of all ages with a wide range of physical or mental disabilities.



Representatives from Cliffs and charitable organizations attend the canoe and kayak launch ribbon cutting.

Environment

We continue to make an impact on nature conservation through significant financial contributions to NFWF, in which we support four NFWF Funds in our major operational hubs: Southeast Michigan Resilience, Chi-Cal Rivers, Central Appalachia, and Sustain Our Great Lakes. These NFWF Funds are public-private partnerships designed to: restore and sustain wildlife habitat (such as waterways and forests); increase resilience of local communities (particularly stormwater capacity); and develop connections to natural resources and green space (such as better accessibility and associated educational programs). Collectively, in 2023, these NFWF Funds awarded more than \$25 million to projects, including \$17.6 million through the Sustain Our Great Lakes Fund—representing the largest single grant slate ever awarded by this program, an achievement that is due in large part to the continued, strong support of program partners such as Cleveland-Cliffs.

In May, we partnered with the Western Reserve Land Conservancy (WRLC) to fund a tree planting project in the Slavic Village neighborhood near our Cleveland Works plant. WRLC’s Tree Team launched the “Private Property Pilot Project Planting Parade” with support from

the Forest City Block Club, Slavic Village Development and local city council members. This pilot project aimed to encourage private property owners to plant trees through tree care education and the opportunity to have a tree planted for free. The Tree Team educated neighborhood residents about the importance of tree planting on nature conservation, and by the time the program launched nearly all of the available trees were planted. The successful establishment of these trees over the next 20 years is anticipated to:

- sequester more than 25,000 pounds of CO₂e;
- intercept more than 193,000 gallons of stormwater; and
- remove more than 125 pounds of air pollutants, including carbon monoxide, nitrogen dioxide, ozone, sulfur dioxide, and particulate matter 2.5.

This pilot project is part of a larger, city-wide initiative called Reforest Our City being conducted in Cleveland, which raises awareness about trees and the important role they play in a healthy and equitable environment now and for future generations.



A volunteer plants a tree in a local resident’s yard as part of the Private Property Pilot Project Planting Parade in Slavic Village, near our Cleveland Works plant.



“The Ladles” exhibit in the Glass City Metropark & Riverwalk in Toledo.

**Spotlight On:
Glass City Metropark**

In partnership with the Metroparks Toledo Foundation, our Foundation supported The Ladles installation located in the Glass City Metropark & Riverwalk. This project is part of a multi-year initiative to transform the Toledo, Ohio riverfront, creating 300 acres of new and revitalized green space connected by five miles of multi-use trails that will span both sides of the Maumee River. It is located nearby Toledo’s

Birmingham neighborhood where our DR plant is also located. Our Foundation awarded a \$100,000 grant to fund The Ladles installation, an homage to the rise of industrial development in the mid-1800s in Toledo. During phase one of the Metropark construction, workers uncovered over 30 slag ladles from the defunct Maumee Rolling Mills steel company. These historical relics were repurposed into sculptural art pieces accompanied by educational signage. The Ladles are surrounded by walking paths so pedestrians and bicycle traffic can stop and reflect on the area’s history.

Employee-Driven Support

We had another successful year of employee-driven support for local host communities. Our employees take the initiative to organize and spearhead opportunities for volunteerism that create tangible impact in the places where they live and work. Whether it is charitable giving through global programs such as United Way, or donating time to schools or nonprofit organizations, Cliffs employees willingly provide support to those in need. We are proud to report that we conducted two successful United Way Campaigns in 2023 at our corporate headquarters and our Middletown Works plant. Combined, employees at these locations pledged more than \$175,000 to support United Way efforts in our local communities, and our Foundation pledged \$100,000 to match employee contributions.

Employees from our finishing plant in New Carlisle, Indiana, volunteered their time on Earth Day to clean up areas surrounding the plant. These particular areas had not been tended to in several years due to the COVID-19 pandemic, so our nearly 30 volunteers were busy collecting almost 2,400 pounds of trash in one day.

Holiday Giving

For the eighth year running, our Mansfield Works, Ohio, plant partnered with USW Local 169 to support the Richland County Children's Auxiliary's Christmas Project. Organizations throughout Richland County join together to support this program. Mansfield employees and union staff purchased winter necessities for children in need, such as coats, hats, gloves, boots, clothing, and bedding, as well as wish list items, such as books, toys and support tools for children with special needs. In total, 60 children were "adopted" through the program to receive these items, which were distributed through The New Store, one of Cliffs' longstanding community partners. Additionally, our Bigger Than Basketball Community Tour (in partnership with the Cleveland Cavaliers) made a stop in Mansfield for a winter coat donation and giveaway event.

At our Toledo DR plant, employees collected toys for the East Toledo Family Center, helping to spread holiday cheer to nearly 200 families living in the East Toledo community. At our Dearborn Works plant, employees



Employees from our New Carlisle, Indiana, plant preparing for their Earth Day clean-up.



Toy Drive donations at our Toledo DR plant.

participated in the Tarence Wheeler Foundation Turkey Drive, distributing thousands of Thanksgiving turkeys and side dishes to families in need throughout Wayne County.

Strategic Partnerships

In 2023, we continued to strengthen our strategic partnerships with entities such as the Cleveland Cavaliers (Cavs), Cleveland Guardians, Cincinnati Reds, FC Cincinnati, Meyers Shank Racing, and Columbus Blue Jackets, including expanding shared community programming with these partners to maximize impact in local host communities.

Cleveland Cavaliers

Throughout 2023, Cliffs and the Cavs built on the great work that has taken place over the last several years. Cliffs and the Cavs partner on a number of important community programs, including the Bigger Than Basketball Community Tour (the Tour), Score with Reading program and providing support to local Boys & Girls Clubs of America (Clubs).

The Tour provides resources for underserved populations in local communities by teaming up with local agencies to help fulfill specific needs such as clothing, food security and recreation. In 2023, the Tour visited the Butler Farm Show in Butler, Pennsylvania. Cavs greats Austin Carr and Campy Russell signed autographs and memorabilia for attendees and participated in a free throw challenge for a chance to win Cavs-related prizes. The Tour also benefited the Butler Area School District's Kids' Weekend Backpack Program, which provides a weekend's worth of healthy food for approximately 450 children in grades K-5 who are facing food insecurity. Additional stops on the Tour included Middletown, Toledo and Mansfield.

The Cavs and Cliffs kicked off the 2023/2024 Tour in style at Rocket Mortgage Fieldhouse with Cavs point guard Darius Garland. An important part of the upcoming Tour will focus on Boys & Girls Clubs' Keystone and Torch Clubs to encourage leadership and make a lasting impact on their communities. Participating Clubs will submit student-led projects that will be funded by the Cavs and Cliffs in 2024. To get students excited about the opportunity, Garland spoke to them about his own leadership journey and visited with students to learn more about their ongoing community projects.



Cavs point guard Darius Garland visits with kids from the Boys & Girls Club to kick off the Bigger Than Basketball Tour for the 2023/2024 season.

Cliffs also presents the Cavs' Score with Reading program, designed to help students develop a passion for reading while promoting the importance of literacy. This four-week challenge, which ran during November, was open to second and third grade students in Northeast Ohio. Participating students had a goal to read a minimum of 100 minutes each week. Prizes and incentives were awarded to top readers and classrooms.

Cavs center Tristan Thompson and the Cavs' Scream Team joined Cliffs for a surprise visit to the Boys & Girls Clubs of Northeast Ohio to deliver two new vans purchased using funds from our Foundation. One van can safely transport youth to other Clubs or sporting events, and the other van is refrigerated to allow food deliveries to all area Clubs. Approximately 100 Club youth and staff participated in the visit.

Cleveland Guardians

The Guardians are another impactful strategic partner that conducts important community programming across Northeast Ohio. During the summer, Cliffs employees from corporate headquarters and our Cleveland Works plant, along with USW Local 979, partnered with (former) Guardians pitcher Cal Quantrill and his wife Eastin to support their philanthropic work with youth in foster care. The Quantrills actively worked with a number of area organizations during their time in Cleveland, such as Letter with Love and OhioGuidestone to help improve the lives of foster youth. As part of Foster Care Awareness Month, the Quantrills and Cliffs employees collaborated to conduct a luggage drive, whereby new luggage and stuffed animals were collected for foster youth to assist in keeping their belongings secure during transitional times. In total, 80 pieces of luggage, 70 stuffed animals and various necessities were collected and delivered to sponsor organization Fostering Hope, as well as a \$5,000 check for additional support.

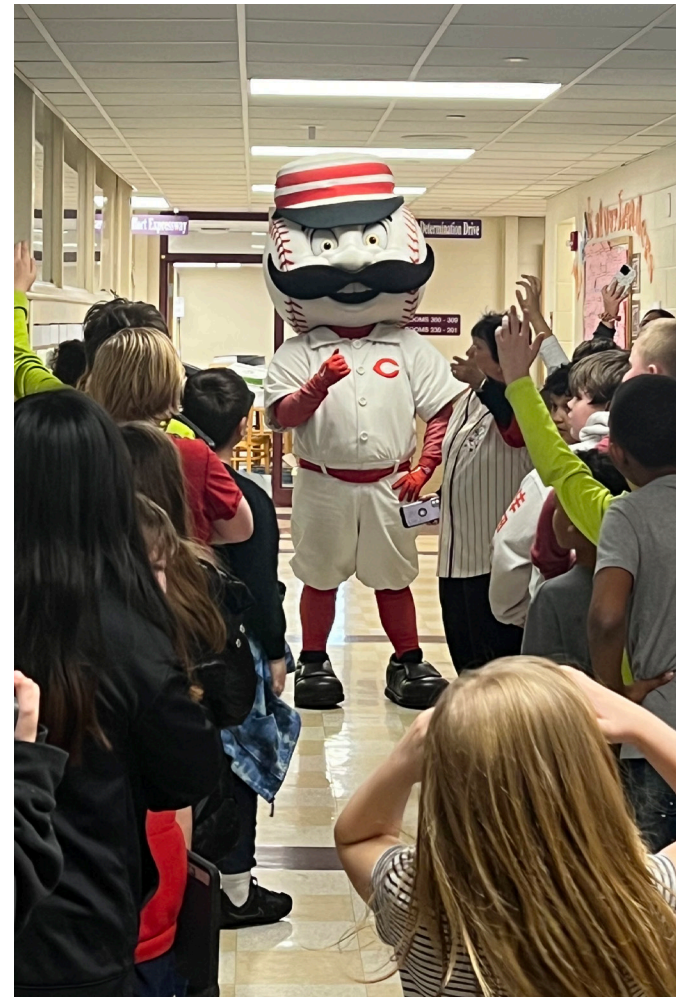
Cincinnati Reds and FC Cincinnati

Cliffs and the Cincinnati Reds officially launched their Fun at Bat P.E. program in the Middletown area in 2023. The Reds work with schools (grades K-5) all over the region to bring the program to physical education classes in order to grow the game of baseball and encourage more interest in the sport, as well as incorporate concepts of character development and literacy. Cliffs and the Reds brought the Fun at Bat P.E. program to Amanda Elementary School in Middletown, including age-specific games and all of the necessary equipment for this month-long program. The Reds and their mascot, Mr. Redlegs, also made a surprise visit to the school and interacted with the students as part of the program.

In partnership with FC Cincinnati (a Major League Soccer club), our Foundation supported the building of a mini pitch (soccer field) at Douglass Park in Middletown, less than two miles away from Cliffs' Middletown Works plant. The grand opening took place in August 2023 and included Cliffs representatives, local children and FC Cincinnati forward Quimi Ordoñez. The mini pitch provides a safe place for children and adults to learn

about and play soccer, and is open to the general public when programming is not scheduled. The Middletown mini pitch was the ninth pitch completed by FC Cincinnati since 2018.

Throughout 2023, Cliffs continued to participate in a weekly social media campaign to recognize local high school soccer teams in the Greater Cincinnati region, culminating in a winner for Team of the Year that attends the final home match of the season courtesy of Cliffs. In April, Cliffs presented the FC Cincinnati match against the Philadelphia Union for their annual FC Cincinnati Foundation night. As part of the match, co-branded hard hats signed by FC Cincinnati players were given away to attendees and Cliffs employees volunteered to collect donations for the team's foundation.



Cincinnati Reds' mascot Mr. Redlegs surprises students at Amanda Elementary in Middletown, as part of the Fun at Bat P.E. program.



A representative from the Cleveland-Cliffs Foundation attends the ribbon cutting for the Douglass Park mini pitch in Middletown.

**Spotlight On:
Cliffs and Worthington "Assist"
Columbus Blue Jackets**

In March 2023, Cliffs and our valued customer Worthington Industries teamed up to support the Columbus Blue Jackets "Community Assist" program. This program pledges charitable donations to local causes based on player and team performance. Cliffs and Worthington committed to donate \$100 for every assist by the Blue Jackets since the beginning of 2023. In total, our Foundation and Worthington contributed \$17,100 to the Community Assist program, and checks were presented to the Columbus Blue Jackets Foundation during their "CBJGivesBack Night". Since the team's inception in 2000, the Columbus Blue Jackets Foundation has awarded more than \$13 million in grants to organizations serving central Ohio youth in the areas of pediatric cancer, health and safety, education, and youth hockey—and Cliffs is proud to help support such important causes.



A representative from Cleveland-Cliffs helps present a check to the Columbus Blue Jackets Foundation in partnership with Worthington Industries.

06

Acting with Integrity

Rooted in our Core Values, Cleveland-Cliffs operates as a responsible corporate citizen and is committed to doing the right thing in all of our business dealings. We employ strong corporate governance practices and believe in fairness, transparency and respect for all. **This is how we make sustainability in the domestic steel industry happen.**



U.S. Congressman Ro Khanna (D-CA), second from right, visits our Toledo DR Plant.

CORPORATE GOVERNANCE

As of the date of this report, the Cleveland-Cliffs Board of Directors (the Board) is comprised of 11 directors, 10 of whom are determined to be independent under the New York Stock Exchange (NYSE) director independence standards, including an independent Lead Director. Cliffs' Corporate Governance Guidelines serve as the framework within which the Board conducts its business. There are four standing committees of the Board: Audit, Governance and Nominating, Compensation and Organization, and Strategy and Sustainability. All committees are comprised entirely of independent directors, except the Strategy and Sustainability Committee, which is chaired by our Chairman, President and CEO.

The Strategy and Sustainability Committee specifically provides critical oversight of our strategic planning activities and long-term business objectives—including monitoring progress and implementation—and assessing the results of major projects and transactions. Additionally, this committee oversees implementation of Cliffs' sustainability strategy, including reviewing and approving our sustainability reports, and reviewing significant environmental, social and governance (ESG) risks and opportunities, such as climate-related risks and decarbonization opportunities.

The Board actively participates in its regularly scheduled meetings as well as ad hoc meetings to maintain essential engagement with senior management and stay informed on major issues and developments relative to the Company's strategy and business objectives. In 2023, the Board visited Indiana Harbor, where they met with plant leadership, employees and members of the local USW chapter. Our approach to corporate governance continues to evolve and is enhanced as our business grows.

We maintain open and proactive communications with our shareholders and broader investment community, and we regularly engage in conversations to promote transparency and cultivate mutually beneficial relationships. During 2023 and early 2024, we reached out to our top 25 shareholders, representing approximately 44% of our outstanding common shares (approximately 55% of the votes cast at our 2023 Annual Meeting of Shareholders), to solicit their perspectives on our compensation program, financial performance, corporate governance, sustainability, and other topics. These discussions included our independent Lead Director when requested. The feedback received from our outreach efforts is shared with and considered by our Board, and our engagement activities have generated valuable input that helps inform our decisions and strategy, when appropriate. During 2023, members of our senior management team participated from time to time in over 850 shareholder meetings and attended over 25 in-person conferences, on-site meetings or facility tours with shareholders.

For 2023, we established new Strategic Initiatives for our short-term incentive compensation program including ESG-focused initiatives such as establishing a branding strategy for low-carbon AHSS; leadership participation in Regional Hydrogen Hub (H2Hubs) development; and developing next decade emissions and waste targets. For more information about our corporate governance and executive compensation practices, please see our most recent **Proxy Statement** filed with the U.S. Securities and Exchange Commission.

Core Values, Ethics & Compliance

Cleveland-Cliffs holds steady to its 10 Core Values, which serve as the foundation of the Company's philosophy on ethics and compliance. Our Ethics Committee, led by our Chairman, President and CEO, is responsible for ensuring that the Company operates in accordance with all applicable laws, rules and regulations, and helps to establish and maintain high ethical standards.

Our **"OneCliffs Way"** of Doing Business: Our Code of Business Conduct and Ethics, continues to guide our employees' daily actions and behaviors. Employees are empowered to speak up if they have concerns of a potential violation of our "OneCliffs Way" utilizing the

mechanisms listed in the document, without fear of retaliation. In 2023, the Company updated its "OneCliffs Way" to more explicitly state its commitment to specific human rights tenets and fair labor practices. Adherence to our "OneCliffs Way" helps us maintain trust with our colleagues and external stakeholders, and ensure we conduct business honestly and transparently. **All of Cleveland-Cliffs' non-represented, salaried employees complete training on the "OneCliffs Way" via our HRIS every January.**

Similarly, we uphold the values associated with internationally recognized guidance and principles on human rights, as outlined in our **Human Rights Policy**. We obey the laws and regulations of the countries in which we operate and expect all suppliers, contractors, vendors, and business partners to do the same. We revised our Insider Trading Policy in 2023, and we also adopted a NYSE-compliant Compensation Clawback Policy that empowers the Company to recover certain covered compensation from officers in the event of an "accounting restatement" (as defined in our clawback policy). We regularly review all of our corporate policies to ensure they are relevant and applicable to our current business model and evolving broader business environment. To view our publicly available corporate policies, please visit our **corporate website**.

We continue to evolve and enhance our cybersecurity programs and practices. Management of cybersecurity risks is an integral part of our overall risk management framework and is essential for safeguarding our business and data. We have developed an information security program to assess, identify and manage material risks from cybersecurity threats. The program includes policies and procedures that identify how security measures and controls drawn from multiple security frameworks are developed, implemented and maintained. Our cybersecurity risk management program works to balance critical infrastructure, network, application, cloud, and information security objectives with overall business objectives and risk tolerance. We use threat intelligence to inform our defensive measures. We believe in continuous improvement as part of the effort to optimize security, and we work to foster that culture through various initiatives. For example, in 2023, Cliffs launched a mandatory, multi-phase cybersecurity training program on our LMS for all non-represented,

Director Highlights

3
Ethnically Diverse Directors

3
Women Directors

90%
Independent

5
New Directors
in the Last 5 Years

salaried employees. Our Information Security team maintains alignment with nationally recognized cybersecurity standards, and our internal Information Security Committee—chaired by our Chief Information Officer (CIO)—oversees policy and investment in this important area of business operations. The CIO reports at least biannually to the Board via the Audit Committee on information and cybersecurity risks and programs.

Enterprise Risk Management

Our Enterprise Risk Management (ERM) process applies to all levels of the Company across our operating footprint. Our ERM function works with both our corporate departments and our plant operations to utilize an established risk management methodology that provides value to all facets of our business. Our ERM process identifies a variety of global and industry-specific risks, including key ESG risks. By year-end 2023, we completed risk reviews for our remaining integrated steel operations (as reported in our Sustainability Report 2022), and established a risk review cadence for all of our operations moving forward. Cliffs' plant leadership maintains ownership of identified risks to their respective plant, and each risk has an associated owner and timeline for review and mitigation. At the enterprise level, executive management is kept apprised of how the ERM process progresses at each plant so they can provide the appropriate support when needed. Also in 2023, we conducted ERM risk reviews targeted at fire protection at key locations. The corporate ERM team provides periodic reports to the Board of Directors via the Audit Committee regarding the ERM process.

Public Policy & Advocacy

Cleveland-Cliffs engages with elected officials and civil servants at all levels of government in support of policies that advance the competitiveness, sustainability and profitability of the Company. Cliffs often engages on policy matters jointly with trade associations that represent other domestic steel producers and their collective manufacturing interests, suppliers and customers.

Where permissible by law, Cleveland-Cliffs makes limited corporate contributions to political organizations or committees to support and promote our business interests or the interests of Cliffs' stakeholders. All corporate political contributions are approved by either our Chairman, President & CEO or our Vice President, Government Relations. In addition, we sponsor a separate, segregated fund referred to as Cleveland-Cliffs Inc. Political Action Committee (CliffsPAC). CliffsPAC is supported through voluntary contributions by management employees and the PAC contributes

to candidates for office at the federal, state and local levels of government, where such PAC contributions are permitted by law. Expenditures by CliffsPAC are subject to review and approval by a steering committee that consists of Cliffs' Chairman, President & CEO, Executive Vice President – Chief Legal and Administrative Officer & Secretary, and Vice President, Government Relations. The receipts and expenditures of CliffsPAC are publicly reported to the Federal Election Commission and state authorities in strict accordance with relevant campaign finance laws.

An area of involvement with federal policymaking is our GOES business. As a leading producer of GOES in the U.S., we have advocated for the DOE's reconsideration of a proposed rule on distribution transformer energy efficiency standards that presents a direct threat to the continued utilization of GOES in distribution transformers. In August 2023, Cliffs and UAW Local 3303 hosted DOE officials at Cliffs' Butler Works plant to discuss the potential impact of this proposal. Our efforts have also led to numerous Congressional hearings, letters and legislation being introduced to mitigate the national and economic security risks associated with the DOE's proposed rule. The DOE is expected to issue its final distribution transformer rule by mid-2024.

As President Biden's Administration implements the Inflation Reduction Act (IRA) and Bipartisan Infrastructure Law, we engage with various federal government agencies to advance our business interests through funding opportunities and government procurement programs, including Buy Clean and Build America, Buy America.



From left: USW Local 2911 President Mark Glyptis, Senator Joe Manchin (D-WV), Cleveland-Cliffs' Chairman, President & CEO Lourenco Goncalves, and Senator Sherrod Brown (D-OH) visiting Cliffs' Weirton tin mill operation in September 2023.

Educating Policymakers Through Operational Visits

As in the past, Cleveland-Cliffs continues to host operational tours in order to educate policymakers about the importance of the steel industry. Below is a sample list of individuals hosted at Cleveland-Cliffs' operations in 2023:

- Senator Sherrod Brown (D-OH), Weirton
- Senator Joe Manchin (D-WV), Weirton
- Representative Troy Balderson (R-OH), Coshocton Works
- Representative Ro Khanna (D-CA), Toledo DR plant
- Department of Energy Assistant Secretary Gene Rodrigues, Butler Works
- Department of Commerce Assistant Secretary of Commerce, Enforcement & Compliance Lisa Wang, Middletown Works
- International Trade Commission Staff, Rockport Works & Burns Harbor
- U.S. House of Representatives Senior Staff, Cleveland Works
- Department of Commerce & Customs & Border Protection, Dearborn Works
- Department of Energy, Industrial Efficiency & Decarbonization Office, Indiana Harbor and United Taconite
- Indiana Lt. Governor Suzanne Crouch, Burns Harbor
- Minnesota Secretary of State Steve Simon, Hibbing Taconite

Value Chain Engagement

Cleveland-Cliffs continues to enhance its supply chain management program year over year. In 2023, we put greater emphasis on working with local suppliers wherever possible. For critical raw materials and other inputs that we do not produce in-house, we made a concerted effort to reduce or eliminate sourcing from entities outside North America unless absolutely necessary. For our logistics providers, many of the drivers are local to either the origin point of, or final destination on, a route.

All Cleveland-Cliffs suppliers need to meet certain requirements to do business with us, including adhering to our General Terms and Conditions, Code of Conduct for Cliffs Suppliers, Code of Business Conduct and Ethics, and Conflict Minerals Policy, available on our corporate website. We also expect that our suppliers share our ESG values relative to respecting human rights, mitigating environmental impacts and keeping people safe at work every day. We strive to build trusting and meaningful relationships with our suppliers over time to serve as a reliable procurement source for us long term.

As a responsible supplier ourselves, Cliffs manages expectations with our customers by conducting required due diligence, maintaining business strategic certifications and responding to voluntary ESG questionnaires. Annually, we file the Form SD with the U.S. Securities and Exchange Commission for required Conflict Minerals disclosure, and on a rolling basis

we maintain important quality certifications, including compliance with the IATF 16949:2016 quality standards for the automotive industry and ISO 9001:2015 standards for quality management. We prefer to work with customers who maintain the same certifications to ensure we are aligned with and can properly support them.

Supplier Diversity

Our Supplier Diversity Initiative is reflective of our efforts to develop a supplier base that is representative of the environment in which we operate. We encourage potential suppliers that are deemed a Minority Business Enterprise, Women Business Enterprise or Veteran Owned Business to engage with Cliffs to supply quality materials and services whenever possible. We are a proud member of the National Minority Supplier Development Council, Women's Business Enterprise National Council, Michigan Minority Supplier Development Council, Ohio Minority Supplier Development Council, and Chicago Minority Supplier Development Council.

\$282M

spent with diverse suppliers in 2023

Spotlight On: CarbonBetter

Founded in Austin, Texas, in 2012 by Tri Vo, CarbonBetter serves the energy needs of businesses today while building a more sustainable tomorrow by helping to align what's good for business with what's good for the planet.

Extreme weather events take center stage in the energy business—from unseasonably warm winters and polar vortexes to uncontrollable forest fires and disastrous flooding. After several years in business, CarbonBetter determined that it needed to expand its service offerings beyond just energy supply to better help its clients navigate a changing world and enable them with the solutions they seek to help build a more sustainable future by measuring, reducing and reporting on carbon, water and waste environmental impacts.

CarbonBetter has served the natural gas supply needs of our steel mills in Ohio since 2016. Since taking ownership of the steel mills in 2020, Cliffs has expanded CarbonBetter's supplier footprint further by utilizing their services at more of our locations. Cliffs and CarbonBetter continue to collaborate to benefit from CarbonBetter's expertise and client service. We work on supply issues together and develop solutions to provide the most reliable gas service possible.

Founder Tri Vo recognizes that “the natural gas space is quickly evolving to meet the needs of companies working to address their climate impacts. It is imperative to have deep and collaborative relationships with partners to start producing reliable solutions together. Our expertise in energy supply, combined with our focus on sustainability, aligns well with Cleveland-Cliffs' energy transition goals. It makes us hopeful that with companies like Cliffs leading the way, other companies in hard-to-abate sectors will take a like-minded approach to sustainability.”

CarbonBetter delivers energy supply for clients, sources environmental attributes to partially or wholly offset that supply, as well as quantifies, reduces, offsets, and reports the environmental impacts within the business as a whole. **Today, with a team that is 50% women, 41% people of color, and 95% minority ownership, CarbonBetter is a certified minority-owned business and a proud energy supplier to not only Cleveland-Cliffs but numerous Fortune 500 companies.** “Our people are the reason we have been able to grow so much over the years. I truly value the diversity in our company, and I think it gives us an edge in the marketplace. The range of past experiences and approaches to solutions that our employees have is what really drives us forward,” said Vo.



CarbonBetter's team at a company-sponsored event.

CORE VALUES

Our Core Values are at the heart of everything we do. These important tenets guide our daily actions and decisions. Our Core Values help us maintain the trust we have built with our stakeholders and with each other. We focus on doing what is best for our people, the environment and our business. Our Core Values provide a strong foundation from which we operate, and we are proud to demonstrate these values every day.



Safe Production

Cliffs is committed to keeping each other safe through proper training and procedures, well-maintained equipment and good housekeeping.



Bias for Action

Cliffs is committed to removing barriers to action, implementing plans for success and executing those plans.



Recognize and Reward Achievement

Cliffs is committed to recognizing employees and celebrating successes, praising personal performance and thanking others for their work.



Ethical Behavior

Cliffs is committed to conducting business with honesty, fairness, integrity and complying with all applicable laws.



Customer Focus

Cliffs is committed to listening to our customers, being responsive and on time, meeting quality expectations and helping our customers succeed.



Creating Economic Value

Cliffs is committed to doing the right thing the first time, gaining efficiencies and achieving breakthroughs in productivity and technology.



Teamwork

Cliffs is committed to including each other in decision-making, knowing when to take the lead and when to be a team player, and recognizing the value of working together to succeed.



Group and Individual Accountability

Cliffs is committed to holding each other to high standards of performance and conduct, being responsible for achieving results and walking the talk.



Trust, Respect, and Open Communication

Cliffs is committed to maintaining open and honest communications to build trust, accepting and encouraging others' viewpoints and promoting workplace diversity.



Environmental Stewardship

Cliffs is committed to going beyond compliance, proactively addressing potential impacts and being a responsible steward of our resources and a good neighbor to the communities where we operate.

PERFORMANCE METRICS

Performance metrics listed for 2023 cover the calendar year ending December 31, 2023 unless otherwise noted. Performance metrics for 2021 and 2022 are listed in the following tables as reported in our Sustainability Report 2021 and Sustainability Report 2022, respectively, at the time of each report publishing.

Environmental Performance

Metric	2021	2022	2023	Units
Energy				
Total energy consumed	439,929,345	380,523,579	404,562,156	gigajoules
<i>Grid electricity consumption</i>	38,099,122	33,113,203	34,994,601	gigajoules
<i>Percentage of energy from grid</i>	9	9	9	%
<i>Purchased steam consumption</i>	772,108	778,276	927,795	gigajoules
<i>Self-generated electricity</i>	9,217,005	6,909,687	4,980,017	gigajoules
Total fuel consumed	401,058,115	344,530,118	366,441,020	gigajoules
<i>Percentage coal and coke</i>	49	45	44	%
<i>Percentage of natural gas</i>	49	53	55	%
Total energy intensity	26	25	23	gigajoules/t crude steel
GHG Emissions & Air Quality				
Direct scope 1 GHG emissions	29.2	25.4	27.9	million metric tons CO ₂ e
Indirect scope 2 GHG emissions (location-based)	5.3	4.6	4.6	million metric tons CO ₂ e
Indirect scope 2 GHG emissions (market-based)	5.3	3.8	3.9	million metric tons CO ₂ e
Scope 1 and Scope 2 GHG emissions	34.5	30.0	32.5	million metric tons CO ₂ e
Scope 1 and 2 GHG emissions intensity (company-wide)	2.05	1.97	1.89	total t CO ₂ e/t crude steel
Scope 1 and 2 GHG emissions intensity (integrated BF/BOF average)	1.67	1.60	1.54	total t CO ₂ e/t crude steel
Scope 1 and 2 GHG emissions intensity (EAF average)	1.01	1.04	1.04	total t CO ₂ e/t crude steel
Nitrogen oxide (NO _x)	35,293	31,857	40,680	metric tons
Sulfur dioxide (SO _x)	19,790	16,474	17,748	metric tons
Volatile organic compounds (VOC)	2,881	2,625	1,905	metric tons
Carbon monoxide (CO)	151,273	127,106	141,454	metric tons
Particulate matter (PM)	18,246	15,649	15,774	metric tons
Particulate matter (PM ₁₀)	10,109	7,697	8,307	metric tons
Particulate matter (PM _{2.5})	6,648	5,386	5,570	metric tons
HAPS	90	70	76	metric tons
Lead	4	3	4	metric tons
MnO	—	—	—	metric tons
PAHs	4	4	6	metric tons

Metric	2021	2022	2023	Units
Water & Wastewater				
Water intake total	1,165,435	1,092,703	1,040,217	megaliters/thousand m ³
<i>Surface water (fresh)</i>	1,053,275	964,082	931,013	megaliters/thousand m ³
<i>Stormwater</i>	72,974	88,710	68,882	megaliters/thousand m ³
<i>Ground water</i>	12,446	11,402	11,209	megaliters/thousand m ³
<i>Municipally produced water</i>	26,740	28,508	29,113	megaliters/thousand m ³
Water discharge total	942,736	1,040,865	986,884	megaliters/thousand m ³
<i>Surface water (fresh)</i>	933,564	1,033,353	979,512	megaliters/thousand m ³
<i>Municipal POTW</i>	9,172	7,511	7,372	megaliters/thousand m ³
Water consumption	222,698	51,838	53,333	megaliters/thousand m ³
Water recycled	1,823,051	2,349,315	2,659,687	megaliters/thousand m ³
Water recycled	156	215	256	%
Waste Management				
Hazardous waste generated	680,609	575,876	561,933	metric tons
Hazardous waste recycled	180,989	146,060	142,660	metric tons
Hazardous waste recycled	27	25	25	%
Hazardous waste disposal total	499,618	430,506	419,272	metric tons
<i>Incineration (with energy recovery)</i>	296	228	12	metric tons
<i>Incineration (without energy recovery)</i>	1,480	1,263	413	metric tons
<i>Landfilling</i>	14,520	17,359	16,580	metric tons
<i>Other disposal</i>	7,975	3,620	2,151	metric tons
<i>Onsite other disposal</i>	475,347	408,036	400,116	metric tons
Non-hazardous waste generated	2,092,430	2,508,822	1,617,033	metric tons
Non-hazardous waste recycled	1,017,969	1,136,523	595,279	metric tons
Non-hazardous waste recycled	49	45	37	%
Non-hazardous waste disposal total	1,074,699	1,372,300	1,021,753	metric tons
<i>Incineration (with energy recovery)</i>	9,518	7,208	1,711	metric tons
<i>Incineration (without energy recovery)</i>	358	158	33	metric tons
<i>Landfilling</i>	1,050,361	1,349,084	1,008,911	metric tons
<i>Other disposal</i>	14,254	15,573	10,530	metric tons
<i>Onsite other disposal</i>	208	276	568	metric tons

Metric	2021	2022	2023	Units
Environmental Capital Expenditures				
Environmental capital expenditures	62	133	66	million USD
Spills				
Number of reportable spills	205	198	186	# of events
Total volume of reportable spills	113	134	28	m ³
Mining Reclamation				
Area reclaimed during the current year	80	246	307	hectares
Area disturbed during the current year	104	154	71	hectares
Area of land yet to be reclaimed	12,576	12,544	12,782	hectares
Total area of land reclaimed	2,399	2,585	2,916	hectares
Total mine facility footprint	33,286	33,333	33,196	hectares
Tailings & Overburden				
Overburden generated	135,844,084	158,473,916	153,676,848	metric tons
Tailings generated	66,138,322	52,347,232	61,482,383	metric tons

Social & Governance Performance

Disclosure Title	Metric	2021	2022	2023
Labor Practices				
Minimum notice periods regarding operational changes	Minimum number of weeks provided to employees prior to implementing significant operational changes that affect them	60 days	60 days	60 days
	Is notice period specified in collective bargaining agreements/contracts (Y/N)	Y	Y	Y
Percentage of employees covered by collective bargaining agreements, broken down by US or Foreign employees	Percentage of employees covered by collective bargaining agreements	72%	70%	72%
Number of strikes and lockouts	Number of strikes and lockouts	0	0	0
Duration of strikes and lockouts	Duration of strikes and lockouts	0	0	0

Disclosure Title	Metric	2021	2022	2023
Labor Practices				
Workers covered by an occupational health and safety management system	Number of employees and non-employees working onsite covered by an occupational health and safety management system based on legal requirements/recognized standards	31,472	35,381	34,004
	Percentage of employees and non-employees working onsite covered by an occupational health and safety management system based on legal requirements/recognized standards	100.0%	100.0%	100.0%
	Number of employees and non-employees working onsite covered by an occupational health and safety management system that has been internally audited	31,472	35,381	34,004
	Percentage of employees and non-employees working onsite covered by an occupational health and safety management system that has been internally audited	100.0%	100.0%	100.0%
	Number of employees and non-employees working onsite covered by an occupational health and safety management system that has been audited or certified by external party	15,940	17,112	16,867
	Percentage of employees and non-employees working onsite covered by an occupational health and safety management system that has been audited or certified by external party	51.0%	48.0%	50%
Work-related injuries	The number of fatalities as a result of work-related injury (employees)	2	2	1 ⁽¹⁾
	The rate of fatalities as a result of work-related injury (employees)	0.008	0.007	0.003
	The number of high-consequence work-related injuries (excluding fatalities) (employees)	124	122	109
	The rate of high-consequence work-related injuries (excluding fatalities) (employees)	0.47	0.42	0.36
	The number of recordable work-related injuries (employees)	407	436	401
	The rate of recordable work-related injuries (employees)	1.53	1.51	1.34
	The number of hours worked (employees)	53,224,430	57,847,953	59,783,783
	The number of fatalities as a result of work-related injury (non-employees)	0	0	0
	The rate of fatalities as a result of work-related injury (non-employees)	0.000	0.000	0.000
	The number of high-consequence work-related injuries (excluding fatalities) (non-employees)	18	12	10
	The rate of high-consequence work-related injuries (excluding fatalities) (non-employees)	0.27	0.16	0.15
	The number of recordable work-related injuries (non-employees)	67	63	43
	The rate of recordable work-related injuries (non-employees)	1.01	0.82	0.65
The number of hours worked (non-employees)	13,248,108	15,326,578	13,297,772	
MSHA all-incidence rate		3.95	3.86	3.75
Near miss frequency rate (NMFR)		2.19	2.23	3.45
Average hours of health, safety, and emergency response training (employees)		20	28	28
Average hours of health, safety, and emergency response training (non-employees)		1	1	1

⁽¹⁾On August 18, 2023, a miner's death occurred at Mine No. 39. MSHA's initial findings indicated medical-related issues as the cause of death. Following receipt of the death certificate, MSHA has preliminarily classified this death as mining-related, pending receipt of autopsy results and a final determination.

Disclosure Title	Metric	2021	2022	2023
Employee Engagement & DEI				
Diversity of governance bodies	Percent board of directors—female ^[2]	30%	30%	27%
	Percent board of directors—male ^[2]	70%	70%	73%
	Percent board of directors <30 years old	0%	0%	0%
	Percent board of directors 30-50 years old	0%	0%	0%
	Percent board of directors > 50 years old ^[2]	100%	100%	100%
	Percent board of directors ethnically diverse ^[2]	30%	30%	27%
Diversity of employees	Percent of female employees (non-union)	20.4%	19.6%	21.3%
	Percent of male employees (non-union)	79.6%	80.4%	78.7%
	Percent of female employees (union)	8.7%	9.3%	9.0%
	Percent of male employees (union)	91.3%	90.7%	91.0%
	Percent of employees <30 years old	11.7 %	12.9%	12.5%
	Percent of employees 30-50 years old	49.3%	49.4%	50.2%
	Percent of employees > 50 years old	39%	37.7%	37.3%
	Percent of employees ethnically diverse	16.8%	17.5%	17.9%
	Number of new hires <30 years old	1,324	1,376	614
	Number of new hires 30-50 years old	1,721	1,884	897
	Number of new hires > 50 years old	497	554	259
	Rate of new hires <30 years old	37.4%	36.1%	34.7%
	Rate of new hires 30-50 years old	48.6%	49.4%	50.7 %
	Rate of new hires > 50 years old	14.0%	14.5%	14.6 %
	Number of new hires—female	552	604	289
	Number of new hires—male	3,035	3,212	1,478
	Rate of new hires—female	15.4%	15.8%	16.4%
	Rate of new hires—male	84.6%	84.2%	83.6 %
	Salary Turnover	7.6%	2.7%	2.9 %
	Hourly Turnover	3.9%	8.4%	7.5%
Total Turnover	4.7%	11.1%	10.4%	
Supplier Diversity	Total diverse supplier spend	\$392 million	\$365 million	\$282 million
Training & Development	Number of employees receiving training on company policy	100%	100%	100%
	Number of employees receiving tuition reimbursement (whole or part)	63	59	60
	Number of employees in apprenticeship training programs	808	717	734

^[2] As of the date of this report

Disclosure Title	Metric	2021	2022	2023
Human Rights & Community Relations				
Operations with local community engagement, impact assessments, and/or development programs	Percentage of operations with implemented local community engagement, impact assessments, and/or development programs	100%	100%	100%
Charitable contributions	Total monetary charitable contributions (corporate and Foundation)	\$6,500,000	\$7,365,000	\$7,486,000
	Total Monetary Employee Contributions (matching gifts to nonprofits)	\$495,000	\$434,000	\$446,000
Percentage of (1) proved and (2) probable reserves in or near areas of conflict		0%	0%	0%
Percentage of (1) proved and (2) probable reserves in or near indigenous land		0%	0%	0%
Number of site shutdowns due to pending regulatory permits or other political delays related to community concerns, community or stakeholder resistance or protest, and armed conflict		0	0	0
Customer Welfare, Selling Practices and Product Labeling				
Incidents of non-compliance concerning the health and safety impacts of products and services		0	0	0
Incidents of non-compliance with regulations for product labeling		0	0	0
Incidents of non-compliance with regulations for marketing communications		0	0	0
Customer Privacy	Substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0
Governance				
Communication and training covering anti-corruption policies and procedures	Percent of board members receiving communication and training on anti-corruption policies and procedures	100%	100%	100%
	Percent of employees receiving communication and training on anti-corruption policies and procedures	100%	100%	100%
Confirmed incidents of corruption and actions taken		0	0	0
Production in countries with 20 lowest rankings in Transparency International's Corruption Perception Index (metric tons)		0	0	0
Competitive Behavior				
Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Number of legal actions pending or completed for anti-competitive behavior and violations of anti-trust and monopoly laws	Zero Agency Actions	Zero Agency Actions	Zero Agency Actions

STATEMENT OF GREENHOUSE GAS (GHG) EMISSIONS

Management of Cleveland-Cliffs Inc. (Cliffs or the Company) is responsible for the completeness, accuracy and validity of the Statement of GHG Emissions. Management is also responsible for the collection, calculation and presentation of the information included in the Statement of GHG Emissions and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the Statement of GHG Emissions.

Management asserts that the Statement of GHG Emissions for the year ended December 31, 2023 is presented in accordance with The Greenhouse Gas Protocol: *A Corporate Accounting and Reporting Standard (Revised Edition)*, published by the World Resources Institute/World Business Council for Sustainable Development.

Information outside of the Statement of GHG Emissions, including linked information, was not subject to Deloitte & Touche LLP's review and, accordingly, Deloitte & Touche LLP does not express a conclusion or any form of assurance on such information. Further, any information relating to periods prior to the calendar year ended December 31, 2022, or information relating to forward-looking statements, targets, goals and progress against goals, was not subject to Deloitte & Touche LLP's review and, accordingly, Deloitte & Touche LLP does not express a conclusion or any form of assurance on such information.

Base Year

Cleveland-Cliffs Inc. measures progress toward our GHG emissions reduction goal against a base year of 2017. The base year of 2017 was chosen, as this is the year the company began its GHG reduction journey and announced the strategic plan to begin construction of the Toledo IronUnits DR Plant. In accordance with the GHG protocol, if significant changes occur in the configuration of Cliffs' assets or if significant GHG emission changes are found that make a material impact on our footprint, the base year will be recalculated to reflect those changes. These potential changes are evaluated against a significance threshold. These changes may include, but are not limited to, transfers of ownership that necessitate the merging of reduction targets or GHG emissions, structural changes in the company that may impact base year GHG emissions, the outsourcing and insourcing of emitting activities, significant adjustment of calculation methodologies under US EPA 40 CFR 98, or the discovery of significant errors (individually or collectively) which Cliffs determines to have a material impact on the reported GHG emissions footprint.

Targets

For discussion of Cliffs' GHG emissions reduction targets see the Climate & GHG Emissions section of the Sustainability Report 2023.

Boundary

Cliffs' organizational GHG boundary includes GHG emissions resulting from activities at its production facilities under operational control. In the case where ownership is shared and Cliffs has operational control of the asset, reporting includes the entirety of GHG emissions from this facility. Locations and GHG emissions not included in the boundary definition are de minimis GHG emissions sources that are expected to be insignificant compared to the Company's Scope 1 and 2 footprint such as stand-alone offices or shutdown legacy locations undergoing remediation, reclamation and/or redevelopment. Variable Interest Entities (VIE), where Cliffs does not have ownership and operational control, are excluded from the organizational GHG boundary. Cliffs reports consolidated company-wide Scope 1 and Scope 2 GHG emissions representing approximately 70 production facilities.

Calculation Methodologies

When calculating Scope 1 GHG emissions, data is collected from facilities within multiple data systems following internal processes for corporate level consolidation. Calculation methodologies for site level stationary Scope 1 GHG emissions are based upon the applicable regulatory requirements of individual facilities including **US EPA 40 CFR 98**. Regulatory-required GHG emissions factors are prioritized, and where these do not exist, other published factors and calculation methodologies are used, including **US EPA Factor Hub** and Canada's National Inventory Report. Cliffs consolidated Scope 1 GHG emissions include GHG emissions from Cliffs-operated mobile equipment. Mobile Scope 1 GHG emissions are determined using facility fuel consumption volumes and US EPA emission factors from the aforementioned US EPA Factor Hub.

Consolidated Scope 2 GHG emissions in the covered GHG Emissions statement are determined using location-based and market-based methodology for Scope 2 accounting. GHG Emissions are calculated by multiplying the amount of Company-purchased utilities consumed by the appropriate regional factors for that geographic location. The most recently published **US EPA eGRID factors** (eGrid2022) are used for US-based locations. Factors from Canada's National Inventory Report 1990-2020 are used for Canada-based locations. Market-based Scope 2 GHG emissions utilize most recently available emissions factors (as CO₂e per unit energy) from electricity suppliers. Market-based emissions also include purchased grid electricity with zero emissions factors via instruments such as renewable energy credits (RECs).

Global Warming Potential (GWP)

Global Warming Potential (GWP) factors were developed to measure the amount of energy the GHG emissions of one ton of gas will absorb relative to one ton of carbon dioxide. For both Scope 1 and Scope 2 GHG emissions, Cliffs uses the IPCC Fourth Assessment Report (AR4) 100-year GWP values outlined in US EPA 40 CFR 98 for all data, including the base year, to maintain consistency between disclosures.

Gas	100-Year GWP
CH ₄	25
N ₂ O	298

GHG Emissions Report

Reported GHG emissions are based on the calendar year January 1 to December 31, 2023. The following GHG emissions statement includes three of the seven GHG emissions covered under UNFCCC/Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O). Cliffs does not have emissions of hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfurhexafluoride (SF₆), or nitrogen trifluoride (NF₃). GHG Emissions are reported in metric tons and metric tons of carbon dioxide equivalents (CO₂e). GHG Emissions data for direct CO₂ emissions from biologically sequestered carbon (e.g., CO₂ from burning biomass/biofuels), are reported separately from the scopes. No biogenic emissions were applicable in 2023.

Cleveland-Cliffs Consolidated GHG Emissions for 2023 and Base Year (Million Metric Tons of CO₂e)

	Base Year 2017	2023
Scope 1	35.5	27.9
Scope 2 (Location-Based)	8.6	4.6
Scope 2 (Market-Based)	*	3.9
Gross Scope 1 and 2 (Location-Based)	44.1	32.5

*Base Year 2017 and the 2017 GHG reduction goal utilized location-based Scope 2 emissions

Cleveland-Cliffs Consolidated Scope 1 Emissions by GHG for 2023

Greenhouse Gas	Million Metric Tons	Million Metric Tons of CO ₂ e
Carbon Dioxide	27.8	27.8
Methane	0.0	0.1
Nitrous Oxide	0.0	0.0

Cleveland-Cliffs Consolidated Scope 2 Location-Based Emissions by GHG for 2023

Greenhouse Gas	Million Metric Tons	Million Metric Tons of CO ₂ e
Carbon Dioxide	4.6	4.6
Methane	0.0	0.0
Nitrous Oxide	0.0	0.0

Cleveland-Cliffs Consolidated Scope 2 Market-Based Emissions by GHG for 2023

Greenhouse Gas	Million Metric Tons of CO ₂ e
Carbon Dioxide Equivalent	3.9

*Utility factors are provided in terms of CO₂e



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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Management of Cleveland-Cliffs Inc.
200 Public Square, Suite 3300
Cleveland, OH 44114

We have reviewed management of Cleveland-Cliffs Inc.'s (the "Company") assertion that the accompanying Statement of Greenhouse Gas (GHG) Emissions for the year ended December 31, 2023 (the "Statement of GHG Emissions") is presented in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), published by the World Resources Institute/World Business Council for Sustainable Development (the "GHG Protocol"). The Company's management is responsible for its assertion. Our responsibility is to express a conclusion on management's assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the Statement of GHG Emissions in order for it to be presented in accordance with the GHG Protocol. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the Statement of GHG Emissions is presented in accordance with the GHG Protocol, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The procedures we performed were based on our professional judgment. In performing our review, we performed analytical procedures and inquiries. For a selection of the disclosures within the Statement of GHG Emissions, we performed tests of mathematical accuracy of computations, compared amounts to underlying records, or observed the data collection process.

The preparation of the Statement of GHG Emissions requires management to interpret the GHG Protocol, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect the reported information. Measurement of certain amounts may include estimates and assumptions that are subject to inherent measurement uncertainty resulting, for example, the accuracy and precision of conversion factors or estimation methodologies used by management. Obtaining sufficient, appropriate review evidence to support our conclusion does not reduce the inherent uncertainty in the amounts and disclosures. The selection by management of different but acceptable measurement methods, input data, or assumptions, may have resulted in materially different amounts or disclosures being reported.

Information outside of the Statement of GHG Emissions is not subject to our review and, accordingly, we do not express a conclusion or any form of assurance on such information. Further, any information relating to periods prior to the calendar year-ended December 31, 2022, or information relating to forward-looking statements, targets, goals, progress against goals, and linked information was not subject to our review and, accordingly, we do not express a conclusion or any form of assurance on such information.

Based on our review, we are not aware of any material modifications that should be made to management of Cleveland-Cliffs Inc.'s assertion in order for it to be fairly stated.

Deloitte & Touche LLP

April 3, 2024

CONTENT INDEX

The Cleveland-Cliffs 2023 Sustainability Report provides a comprehensive overview of the Company's ESG programs and performance. All disclosures in this Table refer to the GRI Standards, published in 2021, as well as the Iron & Steel and Metals & Mining SASB Standards, published in 2023.

GRI Index

GRI Standard	Disclosure	#	Disclosure Location
General Disclosures			
Organization and reporting practices	Organizational details	2-1	We Are Cleveland-Cliffs
	Entities included in the organizations' sustainability reporting	2-2	We Are Cleveland-Cliffs
	Reporting period, frequency and contact point	2-3	About This Report
	External Assurance	2-5	Statement of GHG Emissions
Activities and workers	Activities, value chain and other business relationships	2-6	We Are Cleveland-Cliffs; Steel for a Sustainable Society; Value Chain Management
	Employees	2-7	Performance Metrics
Governance	Governance structure and composition	2-9	Corporate Governance
	Nomination and selection of the highest governance body	2-10	Corporate Governance Guidelines
	Chair of the highest governance body	2-11	Corporate Governance
	Role of the highest governance body in overseeing the management of impacts	2-12	Corporate Governance
	Delegation of responsibility for managing impacts	2-13	Climate & GHG Emissions
	Role of the highest governance body in sustainability reporting	2-14	Corporate Governance
	Conflicts of interest	2-15	Conflict of Interest Policy; Corporate Governance Guidelines
	Communication of critical concerns	2-16	Cleveland-Cliffs 2024 Proxy Statement; Performance Metrics
	Collective knowledge of the highest governance body	2-17	Cleveland-Cliffs 2024 Proxy Statement
	Evaluation of the performance of the highest governance body	2-18	Corporate Governance Guidelines
	Remuneration policies	2-19	Cleveland-Cliffs 2024 Proxy Statement
	Process to determine remuneration	2-20	Cleveland-Cliffs 2024 Proxy Statement
	Annual total compensation ratio	2-21	Cleveland-Cliffs 2024 Proxy Statement
Strategy, policies and practices	Statement on sustainable development strategy	2-22	Letter From Lourenco
	Policy commitments	2-23	Core Values, Ethics & Compliance
	Embedding policy commitments	2-24	Acting With Integrity
	Process to remediate negative impacts	2-25	Community Engagement
	Mechanisms for seeking advice and raising concerns	2-26	Core Values, Ethics & Compliance
	Compliance with laws and regulations	2-27	Performance Metrics
	Membership associations	2-28	Public Policy & Advocacy
Stakeholder engagement	Approach to stakeholder engagement	2-29	Connecting with Our Communities
	Collective bargaining agreements	2-30	Performance Metrics

GRI Standard	Disclosure	#	Disclosure Location
Topic Standards			
Material Topics	Process to determine material topics	3-1	Cleveland-Cliffs Corporate Website
	List of material topics	3-2	Cleveland-Cliffs Corporate Website
	Management of material topics	3-3	Our Commitment to the Environment, Empowering Our People, Connecting with Our Communities, Acting with Integrity
Biodiversity	Management of biodiversity impacts	101-2	Land Management & Biodiversity
Economic Performance	Direct economic value generated and distributed	201-1	Cleveland-Cliffs 2023 Form 10-K
	Financial implications and other risks and opportunities due to climate change	201-2	Cleveland-Cliffs 2023 Form 10-K; Climate & GHG Emissions
	Defined benefit plan obligation and other retirement plans	201-3	Cleveland-Cliffs 2023 Form 10-K
Indirect Economic Impacts	Infrastructure investments and services supported	203-1	Connecting with Our Communities
Anti-Corruption	Operations assessed for risks related to corruption	205-1	Enterprise Risk Management; Performance Metrics
	Communication and training about anti-corruption policies and procedures	205-2	Core Values, Ethics & Compliance; Performance Metrics
	Confirmed incidents of corruption and actions taken	205-3	Performance Metrics
Anti-competitive Behavior	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	206-1	Performance Metrics
Materials	Recycled input materials used	301-2	Steel for a Sustainable Society
Energy	Energy consumption within the organization	302-1	Performance Metrics
	Energy consumption outside the organization	302-2	Performance Metrics
	Energy intensity	302-3	Performance Metrics
	Reduction of energy consumption	302-4	Energy
Water & Effluents	Interactions with water as a shared resource	303-1	Water & Wastewater
	Management of water discharge-related impacts	303-2	Water & Wastewater
	Water withdrawal	303-3	Performance Metrics
	Water discharge	303-4	Performance Metrics
	Water consumption	303-5	Performance Metrics
Emissions	Direct (Scope 1) GHG emissions	305-1	Performance Metrics; Statement of GHG Emissions
	Energy indirect (Scope 2) GHG emissions	305-2	Performance Metrics; Statement of GHG Emissions
	Other indirect (Scope 3) GHG emissions	305-3	2023 CDP Climate Change
	GHG emissions intensity	305-4	Performance Metrics
	Reduction of GHG emissions	305-5	Climate & GHG Emissions; Performance Metrics
	Nitrogen oxides, sulfur oxides, and other significant air emissions	305-7	Performance Metrics

GRI Standard	Disclosure	#	Disclosure Location
Topic Standards			
Waste	Waste generation and significant waste-related impacts	306-1	Waste & Hazardous Materials
	Management of significant waste-related impacts	306-2	Steel for a Sustainable Society; Waste & Hazardous Materials
	Waste generated	306-3	Performance Metrics
	Waste diverted from disposal	306-4	Performance Metrics
	Waste directed to disposal	306-5	Performance Metrics
Employment	New employee hires and employee turnover	401-1	Performance Metrics
	Benefits provided to full-time employees that are not provided to temporary or part-time employees	401-2	Talent Management
Labor/Management Relations	Minimum notice periods regarding operational changes	402-1	Performance Metrics
Occupational Health and Safety	Occupational health and safety management system	403-1	Health & Safety
	Hazard identification, risk assessment, and incident investigation	403-2	Health & Safety
	Occupational health services	403-3	Health & Safety
	Worker participation, consultation, and communication on occupational health and safety	403-4	Health & Safety
	Worker training on occupational health and safety	403-5	Health & Safety
	Promotion of worker health	403-6	Talent Management
	Workers covered by an occupational health and safety management system	403-8	Performance Metrics
	Work-related injuries	403-9	Health & Safety; Performance Metrics
	Work-related ill health	403-10	Performance Metrics
	Training and Education	Average hours of training per year per employee	404-1
Programs for upgrading employee skills and transition assistance programs		404-2	Talent Management; Performance Metrics
Diversity and Equal Opportunity	Diversity of governance bodies and employees	405-1	Corporate Governance; Performance Metrics
Local Communities	Operations with local community engagement, impact assessments, and development programs	413-1	Community Engagement; Performance Metrics
Customer Health and Safety	Incidents of non-compliance concerning the health and safety impacts of products and services	416-2	Performance Metrics
Marketing and Labeling	Incidents of non-compliance concerning product and service information and labeling	417-2	Performance Metrics
	Incidents of non-compliance concerning marketing communications	417-3	Performance Metrics
Customer Privacy	Substantiated complaints concerning breaches of customer privacy and losses of customer data	418-1	Performance Metrics

SASB Index

Topic	Accounting Metric	Code	Disclosure Location
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	EM-MM-110a.1 EM-IS-110a.1	Performance Metrics
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	EM-MM-110a.2 EM-IS-110a.2	Climate & GHG Emissions
Air Quality	Air emissions of the following pollutants: (1) CO (2) NOx (excluding N ₂ O) (3) SOx (4) particulate matter (PM ₁₀) (5) mercury (Hg) (6) lead (Pb) (7) volatile organic compounds (VOCs) (8) manganese (MnO) (9) polycyclic aromatic hydrocarbons (PAHs)	EM-MM-120a.1 EM-IS-120a.1	Performance Metrics
Energy Management	(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable	EM-MM-130a.1 EM-IS-130a.1	Performance Metrics
	(1) Total fuel consumed (2) percentage coal (3) percentage natural gas (4) percentage renewable	EM-IS-130a.2	Performance Metrics
Water Management	(1) Total water withdrawn (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	EM-MM-140a.1 EM-IS-140a.1	Water & Wastewater; Performance Metrics
Waste & Hazardous Materials Management	(1) Amount of waste generated (2) percentage hazardous (3) percentage recycled	EM-IS-150a.1	Performance Metrics
	Total weight of non-mineral waste generated	EM-MM-150a.4	Performance Metrics
	Total weight of tailings produced	EM-MM-150a.5	Performance Metrics
	Total weight of hazardous waste generated and recycled	EM-MM-150a.7 EM-IS-150a.8	Performance Metrics
	Description of waste and hazardous materials management policies and procedures for active and inactive operations	EM-MM-150a.10	Waste & Hazardous Materials
Biodiversity Impacts	Description of environmental management policies and practices for active sites	EM-MM-160a.1	Environmental Management
Security, Human Rights & Rights of Indigenous Peoples	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	EM-MM-210a.1	Performance Metrics
	Percentage of (1) proved and (2) probable reserves in or near indigenous land	EM-MM-210a.2	Performance Metrics
Community Relations	Discussion of process to manage risks and opportunities associated with community rights and interests	EM-MM-210b.1	Community Engagement
Labor Relations	Percentage of active workforce covered under collective bargaining agreements	EM-MM-310a.1	Labor Relations; Performance Metrics
	Number and duration of strikes and lockouts	EM-MM-310a.2	Labor Relations; Performance Metrics
Workforce Health & Safety	(1) MSHA all-incidence rate (2) fatality rate (3) near miss frequency rate (NMFR) (4) total recordable incident rate (TRIR) and (5) average hours of health, safety, and emergency response training for (a) direct employees and (b) contract employees	EM-MM-320a.1 EM-IS-320a.1	Health & Safety; Performance Metrics
Business Ethics & Transparency	Description of the management system for prevention of corruption and bribery throughout the value chain	EM-MM-510a.1	Core Values, Ethics & Compliance
	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	EM-MM-510a.2	Performance Metrics
Supply Chain Management	Discussion of the process for managing iron ore and/or coking coal sourcing risks arising from environmental and social issues	EM-IS-430a.1	Cleveland-Cliffs 2023 Form 10-K

Topic	Accounting Metric	Code	Disclosure Location
Activity Metrics	Production of (1) metal ores and (2) finished metal products	EM-MM-000.A	Cleveland-Cliffs 2023 Form 10-K
	Total number of employees, percentage contractors	EM-MM-000.B	Performance Metrics
	Raw steel production, percentage from: (1) basic oxygen furnace processes, (2) electric arc furnace processes	EM-IS-000.A	Cleveland-Cliffs 2023 Form 10-K
	Total iron ore production	EM-IS-000.B	Cleveland-Cliffs 2023 Form 10-K
	Total coking coal production	EM-IS-000.C	Cleveland-Cliffs 2023 Form 10-K

Task Force on Climate-Related Financial Disclosures

	TCFD Recommended Disclosure	Disclosure Location
Governance		
Disclose the organization's governance around climate-related risks and opportunities	a. Describe the board's oversight of climate-related risks and opportunities	Climate & GHG Emissions, Corporate Governance; 2022 TCFD Report
	b. Describe management's role in assessing and managing climate-related risks and opportunities	Climate & GHG Emissions; 2022 TCFD Report
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Climate & GHG Emissions; 2022 TCFD Report
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Climate & GHG Emissions; 2022 TCFD Report; Cleveland-Cliffs 2023 Form 10-K
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Climate & GHG Emissions; 2022 TCFD Report; Cleveland-Cliffs 2023 Form 10-K
Risk Management		
Disclose how the organization identifies, assesses, and manages climate-related risks	a. Describe the organization's processes for identifying and assessing climate-related risks	Climate & GHG Emissions, Enterprise Risk Management; 2022 TCFD Report
	b. Describe the organization's processes for managing climate-related risks	Climate & GHG Emissions, Enterprise Risk Management; 2022 TCFD Report
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Climate & GHG Emissions, Enterprise Risk Management; 2022 TCFD Report
Metrics & Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Climate & GHG Emissions; 2022 TCFD Report
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	Climate & GHG Emissions, Performance Metrics
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Climate & GHG Emissions



Tubular components at our Dearborn Works plant.

FORWARD-LOOKING STATEMENTS

This report contains statements that constitute “forward-looking statements” within the meaning of the federal securities laws. All statements other than historical facts, including, without limitation, statements regarding our current expectations, estimates and projections about our industry or our businesses, are forward-looking statements. We caution investors that any forward-looking statements are subject to risks and uncertainties that may cause actual results and future trends to differ materially from those matters expressed in or implied by such forward-looking statements. Investors are cautioned not to place undue reliance on forward-looking statements. Among the risks and uncertainties that could cause actual results to differ from those described in forward-looking statements are the following: continued volatility of steel, iron ore and scrap metal market prices, which directly and indirectly impact the prices of the products that we sell to our customers; uncertainties associated with the highly competitive and cyclical steel industry and our reliance on the demand for steel from the automotive industry; potential weaknesses and uncertainties in global economic conditions, excess global steelmaking capacity, oversupply of iron ore, prevalence of steel imports and reduced market demand; severe financial hardship, bankruptcy, temporary or permanent shutdowns or operational challenges of one or more of our major customers, key suppliers or contractors, which, among other adverse effects, could disrupt our operations or lead to reduced demand for our products, increased difficulty collecting receivables, and customers and/or suppliers asserting force majeure or other reasons for not performing their contractual obligations to us; risks related to U.S. government actions with respect to Section 232 of the Trade Expansion Act of 1962 (as amended by the Trade Act of 1974), the United States-Mexico-Canada Agreement and/or other trade agreements, tariffs, treaties or policies, as well as the uncertainty of obtaining and maintaining effective antidumping and countervailing duty orders to counteract the harmful effects of unfairly traded imports; impacts of existing and increasing governmental regulation, including potential environmental regulations relating to climate change and carbon emissions, and related costs and liabilities, including failure to receive or maintain required operating and environmental permits, approvals, modifications or other authorizations of, or from, any governmental or regulatory authority and costs related to implementing improvements to ensure compliance with regulatory changes, including potential financial assurance requirements, and reclamation and remediation obligations; potential impacts to the environment or exposure to hazardous substances resulting from our operations; our ability to maintain adequate liquidity, our level of indebtedness and the availability of capital could limit our financial flexibility and cash flow necessary to fund working capital, planned capital expenditures, acquisitions, and other general corporate purposes or ongoing needs of our business, or to repurchase our common shares; our ability to reduce our indebtedness or return capital to shareholders within the currently expected timeframes or at all; adverse changes in credit ratings, interest rates, foreign currency rates and tax laws, including adverse impacts as a result of the Inflation Reduction Act; the outcome of, and costs incurred in connection with, lawsuits, claims, arbitrations or governmental proceedings relating to commercial and business disputes, antitrust claims, environmental matters, government investigations, occupational or personal injury claims, property-related matters, labor and employment matters, or suits involving legacy operations and other matters; supply chain disruptions or changes in the cost, quality or availability of energy sources, including electricity, natural gas and diesel fuel, critical raw materials and supplies, including iron ore, industrial gases, graphite electrodes, scrap metal, chrome, zinc, coke and metallurgical coal, and critical manufacturing equipment and spare parts; problems or disruptions associated with transporting products to our customers, moving manufacturing inputs or products internally among our facilities, or suppliers transporting raw materials to us; the risk that the cost or time to implement a strategic or sustaining capital project may prove to be greater than originally anticipated; our ability to consummate any public or private acquisition transactions and to realize any or all of the anticipated benefits or estimated future synergies, as well as to successfully integrate any acquired businesses into our existing businesses; uncertainties associated with natural or human-caused disasters, adverse weather conditions, unanticipated geological conditions, critical equipment failures, infectious disease outbreaks, tailings dam failures and other unexpected events; cybersecurity incidents relating to, disruptions in, or failures of, information technology systems that are managed by us or third parties that host or have access to our data or systems, including the loss, theft or corruption of sensitive or essential business or personal information and the inability to access or control systems; liabilities and costs arising in connection with any business decisions to temporarily or indefinitely idle or permanently close an operating facility or mine, which could adversely impact the carrying value of associated assets and give rise to impairment charges or closure and reclamation obligations, as well as uncertainties associated with restarting any previously idled operating facility or mine; our level of self-insurance and our ability to obtain sufficient third-party insurance to adequately cover potential adverse events and business risks; uncertainties associated with our ability to meet customers’ and suppliers’ decarbonization goals and reduce our GHG emissions in alignment with our own announced targets; challenges to maintaining our social license to operate with our stakeholders, including the impacts of our operations on local communities, reputational impacts of operating in a carbon-intensive industry that produces GHG emissions, and our ability to foster a consistent operational and safety track record; our actual economic mineral reserves or reductions in current mineral reserve estimates, and any title defect or loss of any lease, license, easement or other possessory interest for any mining property; our ability to maintain satisfactory labor relations with unions and employees; unanticipated or higher costs associated with pension and OPEB obligations resulting from changes in the value of plan assets or contribution increases required for unfunded obligations; uncertain availability or cost of skilled workers to fill critical operational positions and potential labor shortages caused by experienced employee attrition or otherwise, as well as our ability to attract, hire, develop and retain key personnel; the amount and timing of any repurchases of our common shares; and potential significant deficiencies or material weaknesses in our internal control over financial reporting. Forward-looking and other statements in this report regarding our GHG reduction plans and goals are not an indication that these statements are necessarily material to investors or required to be disclosed. In addition, historical, current and forward-looking GHG-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve and assumptions that are subject to change in the future. For additional factors affecting our business, refer to Part I – Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2023, and our other filings with the U.S. Securities and Exchange Commission.