

CLEVELAND-CLIFFS INC.
Form DEF 14A
March 12, 2019

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 14A
(RULE 14a-101)

INFORMATION REQUIRED IN
PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934
(Amendment No. ____)

☒ Filed by the Registrant ☐ Filed by a Party other than the Registrant

Check the appropriate box:

☐ Preliminary Proxy Statement

☐ Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

☒ Definitive Proxy Statement

☐ Definitive Additional Materials

☐ Soliciting Material Pursuant to §240.14a-12

CLEVELAND-CLIFFS INC.

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☒ No fee required.

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

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

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

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

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(4) Proposed maximum aggregate value of transaction: _____

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☐ (1) Amount Previously Paid: _____

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

(3) Filing Party: _____

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LETTER TO OUR SHAREHOLDERS

March 12, 2019

Dear Fellow Shareholder,

Our performance in 2018 clearly demonstrates what Cleveland-Cliffs has become. By thoroughly executing a multi-year strategy, initially implemented in August 2014 when I joined this great company, Cleveland-Cliffs has transformed itself into a well-protected, cash flow generating enterprise with a strong balance sheet. Through the buy-in and commitment from all our employees, managers, executives and directors, we generated over \$1.1 billion dollars in net income in 2018, which was our highest since 2011.

We generated Adjusted EBITDA of \$766 million in 2018, marking the third straight year of accelerating Adjusted EBITDA growth. Our 35% Adjusted EBITDA margin was the result of a series of actions implemented to maximize our profitability, including more advantageous sales contract structures and cost optimization initiatives at the operating and corporate levels. Highlighting the comfort level that we have reached with our financial position, in 2018 we retired all tranches of our debt maturing in 2020. We also started returning cash to our shareholders, via the implementation of a healthy-yielded recurring dividend and a share repurchase program.

Here in the United States, we have the most environmentally sound iron and steel production in the entire world. Cleveland-Cliffs makes that possible by producing and supplying environmentally friendly iron ore pellets that enable clean steelmaking via the blast furnace/BOF route, and also with our upcoming production of Hot Briquetted Iron (HBI). The construction of our state-of-the-art HBI plant in Toledo, Ohio continues on-schedule for a mid-2020 start up. By becoming the supplier of limited emission metallics to Electric Arc Furnace steelmakers, we will enable these steelmakers to meet the requirements of a healthy domestic steel market in the United States and its growing demand for higher-grade iron units.

On behalf of the Board of Directors, I extend our sincere appreciation to our loyal long-term shareholders for believing in our strategy and our ability to execute. As we predicted four years ago, your investment has been rewarded. I also thank the entire Cleveland-Cliffs team for their continued commitment and dedication to the Company. Last but not least, I thank the United Steelworkers for ratifying a new four-year labor agreement with us; our partnership with the USW is paramount.

The future of the United States as a manufacturing country is bright, and Cleveland-Cliffs will continue to be a primary enabler – and beneficiary – of that. For the betterment of our communities and our families, let's continue to build this bright future together. The next four years will be exciting. I will be here, and hope you will be here with me.

Sincerely,

Lourenco Goncalves

Chairman, President and Chief Executive Officer

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held on April 24, 2019

11:30 a.m. EDT

North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114

To the Shareholders of Cleveland-Cliffs Inc.:

The 2019 Annual Meeting of Shareholders of Cleveland-Cliffs Inc., or "Cliffs", will be held at North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114 at 11:30 a.m., EDT, on Wednesday, April 24, 2019 for the following purposes:

1. To elect eleven directors to act until the next Annual Meeting of Shareholders or until their respective successors are duly elected and qualified;
2. To approve, on an advisory basis, our named executive officers' compensation;
3. To ratify the appointment of Deloitte & Touche LLP as Cliffs' independent registered public accounting firm to serve for the 2019 fiscal year; and
4. To transact such other business, if any, as may properly come before the 2019 Annual Meeting or any adjournment thereof.

In order to vote on the matters brought before the 2019 Annual Meeting, you may complete and mail the proxy card, vote by telephone or vote via the Internet, as explained on the proxy card. Holders of record of Cliffs' common shares at the close of business on February 25, 2019 are entitled to notice of, and to vote at, the 2019 Annual Meeting or any adjournments thereof.

By Order of the Board of Directors,

James D. Graham

Executive Vice President, Chief Legal Officer & Secretary

March 12, 2019

Cleveland, Ohio

YOUR VOTE IS IMPORTANT.

YOU MAY VOTE BY MAILING

THE ENCLOSED PROXY

CARD, BY TELEPHONE, BY

INTERNET,

OR BY BALLOT IN PERSON

AT THE 2019 ANNUAL

MEETING.

The proxy statement and Cliffs'

2018 Annual Report for the 2018

fiscal year are available at

www.proxyvote.com. These

materials also are available on

Cliffs' Investor Relations website at

www.clevelandcliffs.com/investors

under "Financial Information." If

your shares are not registered in

your own name, please follow the

voting instructions from your

bank, broker, trustee, nominee or

other shareholder of record to vote

your shares and, if you would like

to attend the 2019 Annual

Meeting, please bring evidence of your share ownership with you. You should be able to obtain evidence of your share ownership from the bank, broker, trustee, nominee or other shareholder of record that holds the shares on your behalf.

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PROXY STATEMENT SUMMARY

This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information that you should consider, and you should read the entire proxy statement carefully before voting. Page references are supplied to help you find further information.

2019 ANNUAL

MEETING OF (PAGE 4)

SHAREHOLDERS

DATE AND TIME:	Wednesday, April 24, 2019, at 11:30 a.m. EDT
PLACE:	North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114
RECORD DATE:	February 25, 2019
	Shareholders of record are entitled to vote by completing and returning the enclosed proxy card by mail; telephone at 1-800-690-6903; by Internet at www.proxyvote.com ; or attending the 2019 Annual Meeting of Shareholders (the "2019 Annual Meeting") in person (beneficial holders must obtain a legal proxy from their broker, banker, trustee, nominee or other shareholder of record granting the right to vote).
VOTING:	
MAILING:	This proxy statement, the accompanying proxy card and our 2018 Annual Report will be mailed on or about March 12, 2019 to certain

shareholders of
record as of the
Record Date.

VOTING MATTERS	BOARD VOTE RECOMMENDATION	PAGE REFERENCE (for more detail)
Proposal 1 – Election of Directors	FOR each Director Nominee	<u>13</u>
Proposal 2 – Approval, on an Advisory Basis, of Our Named Executive Officers' Compensation ("Say-on-Pay")	FOR	<u>55</u>
Proposal 3 – Ratification of Independent Registered Public Accounting Firm	FOR	<u>57</u>
DIRECTOR NOMINEES RECOMMENDED BY THE CLIFFS BOARD OF DIRECTORS		(PAGE <u>13</u>)

NAME	AGE	DIRECTOR SINCE	POSITION	COMMITTEE MEMBERSHIPS (1)
Lourenco Goncalves	61	2014	Chairman, President and Chief Executive Officer	Strategy*
Douglas C. Taylor	54	2014	Lead Director	Compensation*
John T. Baldwin	62	2014	Director	Strategy
Robert P. Fisher, Jr.	64	2014	Director	Audit*
Susan M. Green	59	2007	Director	Compensation
M. Ann Harlan	59	2019	Director	Audit
Janet L. Miller	65	2019	Director	Governance
Joseph A. Rutkowski, Jr.	64	2014	Director	Governance*
Eric M. Rychel	45	2016	Director	Strategy
Michael D. Siegal	66	2014	Director	Audit
Gabriel Stoliar	64	2014	Director	Compensation

* Denotes committee chair

(1) Full committee names are: Audit – Audit Committee; Compensation – Compensation and Organization Committee; Governance – Governance and Nominating Committee; Strategy – Strategy Committee.

SHAREHOLDER ENGAGEMENT AND SAY-ON-PAY HIGHLIGHTS (summary) (PAGE 22)

Cliffs maintains open communication with the investment community. During 2018 and early 2019, we reached out to our top 25 shareholders representing approximately 55% of our outstanding shares to discuss compensation matters. See the section entitled "2018 Say-on-Pay Results and Board Responsiveness to Shareholder Feedback" in the Compensation Discussion and Analysis section for more detail as to what we heard and how we responded.

EXECUTIVE COMPENSATION PHILOSOPHY AND CORE PRINCIPLES (PAGE 24)

Our guiding compensation principles, as established by the Compensation and Organization Committee for 2018, were as follows:

- Align short-term and long-term incentives with results delivered to shareholders;
- Be transparent, and ensure that executives and shareholders understand our executive compensation programs, including the objectives, mechanics, and compensation levels and opportunities provided;
- Design an incentive program that focuses on performance objectives tied to our business plan (including profitability-related and cost control objectives), relative performance objectives tied to market conditions (including relative total shareholder return, measured by share price appreciation plus dividends, if any), and performance against other key objectives tied to our business strategy (including safety, reduced debt and decreased overall spending);
- Provide competitive fixed compensation elements over the short-term (base salary) and long-term (equity and retirement benefits) to encourage long-term retention of our key executives; and
- Continue to structure programs as in prior years to align with corporate governance best practices (such as not providing "gross-ups" related to change in control payments, using "double-trigger" vesting in connection with a change in control for equity awards, using Share Ownership Guidelines and maintaining a clawback policy related to incentive compensation for our executive officers).

2018 EXECUTIVE COMPENSATION SUMMARY (PAGE 44)

The numbers in the following table showing the 2018 compensation of our named executive officers (the "NEOs") were determined in the same manner as the numbers in the corresponding columns in the 2018 Summary Compensation Table (the "SCT") (provided later in this proxy statement); however, they do not include information regarding changes in pension value and non-qualified deferred compensation earnings and information regarding all other compensation, each as required to be presented in the 2018 SCT under the rules of the U.S. Securities and Exchange Commission (the "SEC"). As such, this table should not be viewed as a substitute for the 2018 SCT:

NAME	PRINCIPAL POSITION (AS OF	SALARY (\$)	BONUS (\$)	STOCK AWARDS	OPTION AWARDS	NON-EQUITY INCENTIVE PLAN	TOTAL (\$)
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	12/31/2018)		(\$)	(\$)	COMPENSATION (\$)	
Lourenco Goncalves	Chairman, President and Chief Executive Officer	1,350,000—	4,776,554	—	8,280,000	14,406,554
Timothy K. Flanagan	Former Executive Vice President, Chief Financial Officer (1)	412,000 —	637,763	—	1,014,800	2,064,563
Terry G. Fedor	Executive Vice President, United States Iron Ore	426,000 —	659,422	—	1,275,466	2,360,888
Maurice D. Harapiak	Executive Vice President, Human Resources & Chief Administration Officer	426,000 —	659,422	—	1,243,866	2,329,288
Clifford T. Smith	Executive Vice President, Business Development	426,000 —	659,422	—	1,275,466	2,360,888

(1) On February 12, 2019, Mr. Keith A. Koci was appointed Executive Vice President, Chief Financial Officer and Mr. Flanagan separated from Cliffs.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (PAGE 57)

As a matter of good corporate governance, we are asking our shareholders to ratify the selection of Deloitte & Touche LLP as our independent registered public accounting firm for 2019.

FORWARD-LOOKING STATEMENTS

This proxy statement contains statements that constitute "forward-looking statements" within the meaning of the federal securities laws. As a general matter, forward-looking statements relate to anticipated trends and expectations rather than historical matters.

Forward-looking statements are subject to uncertainties and factors relating to Cliffs' operations and business environment that are difficult to predict and may be beyond our control. Such uncertainties and factors may cause actual results to differ materially from those expressed or implied by the forward-looking statements. Certain of such risks and uncertainties are described in Cliffs' Annual Report on Form 10-K for the year ended December 31, 2018. Cliffs does not undertake to update the forward-looking statements included in the proxy statement to reflect the impact of circumstances or events that may arise after the date the forward-looking statements were made.

2019 Proxy Statement 2

QUESTIONS & ANSWERS

QUESTIONS AND ANSWERS ABOUT THE MEETING AND VOTING

1. What proposals are to be presented at the 2019 Annual Meeting?

The purpose of the 2019 Annual Meeting is to: (1) elect eleven directors; (2) approve, on an advisory basis, our NEOs' compensation; (3) ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm to serve for the 2019 fiscal year; and (4) conduct such other business as may properly come before the 2019 Annual Meeting.

2. What is the difference between a "shareholder of record" and a "beneficial owner"?

These terms describe the manner in which your shares are held. If your shares are registered directly in your name through EQ Shareowner Services, our transfer agent, you are a "shareholder of record" or registered holder. If your shares are held through a bank, broker, nominee or other shareholder of record, you are considered the "beneficial owner" of those shares.

3. How does the Cliffs Board recommend that I vote?

The Cliffs Board of Directors (the "Board") unanimously recommends that you vote:

FOR ALL of the eleven individuals nominated by the Board for election as directors;

FOR the approval, on an advisory basis, of Cliffs' NEOs' compensation; and

FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm to serve for the 2019 fiscal year.

4. Who is entitled to vote at the 2019 Annual Meeting?

The Record Date for the 2019 Annual Meeting is February 25, 2019. On that date, we had outstanding 290,568,635 common shares, \$0.125 par value. All common shareholders are entitled to vote. In this proxy statement, we refer to our common shares as our "shares" and the holders of such shares as our "shareholders."

5. How do I vote?

You may vote using any of the following methods:

Shareholders of Record. If your shares are registered in your name, you may vote in person or by proxy. If you decide to vote by proxy, you may do so over the Internet, by telephone or by mail.

By mail. If you received a paper copy of the proxy card by mail, after reading the proxy materials, you may mark, sign and date your proxy card and return it in the prepaid and addressed envelope provided.

By telephone. After reading the proxy materials and with your proxy card in front of you, you may call the toll-free number appearing on the proxy card, using a touch-tone telephone. You will be prompted to enter your control number from your proxy card. This number will identify you as a shareholder of record. Follow the simple instructions that will be given to you to record your vote.

Over the Internet. After reading the proxy materials and with your proxy card in front of you, you may use a computer to access the website www.proxyvote.com. You will be prompted to enter your control number from your proxy card. This number will identify you as a shareholder of record. Follow the simple instructions that will be given to you to record your vote.

The telephone and Internet voting procedures have been set up for your convenience and have been designed to authenticate your identity, allow you to submit voting instructions and confirm that those instructions have been recorded properly.

Shares Held by Bank or Broker. If your shares are held by a bank, broker, depository, trustee or some other nominee, that entity will provide separate voting instructions. All nominee share interests may view the proxy materials using the link www.proxyvote.com.

If your shares are held in the name of a brokerage firm, your shares may be voted even if you do not provide the brokerage firm with voting instructions. Brokerage firms have the authority under applicable rules to vote shares for which their customers do not provide voting instructions on certain "routine" matters. When a proposal is not a routine matter and the brokerage firm has not received voting instructions from the beneficial owner of the shares with respect to that proposal, the brokerage firm cannot vote the shares on that proposal. This is referred to as a "broker non-vote." The ratification of Deloitte & Touche LLP as our registered independent public accounting firm is a routine matter for

which the brokerage firm that holds your shares may vote your shares without your instructions.

2019 Proxy Statement 3

QUESTIONS & ANSWERS

6. What can I do if I change my mind after I vote?

You may revoke your proxy at any time before the vote by (i) executing and submitting a revised proxy bearing a later date; (ii) providing a written revocation to the Secretary of Cliffs; or (iii) voting in person at the 2019 Annual Meeting. If you do not hold your shares directly, you should follow the instructions provided by your broker, bank or nominee to revoke your previously voted proxy.

7. What vote is required to approve each proposal?

With respect to Proposal 1, the nominees receiving a plurality vote of the shares will be elected. However, under our majority voting policy (adopted by the Board) in an uncontested election, any director-nominee that is elected by a plurality vote but fails to receive a majority of votes cast (which excludes abstentions and broker non-votes) is expected to tender his or her resignation, which resignation will be considered by the Governance and Nominating Committee and our Board.

With respect to Proposal 2, approval, on an advisory basis, of our NEOs' compensation requires the affirmative vote of a majority of the shares present, in person or represented by proxy, at the 2019 Annual Meeting and entitled to vote on the proposal.

With respect to Proposal 3, the ratification of Deloitte & Touche LLP as our independent registered public accounting firm for the 2019 fiscal year will pass with the affirmative vote of a majority of the shares present, in person or represented by proxy, at the 2019 Annual Meeting and entitled to vote on the proposal.

MEETING INFORMATION

The accompanying proxy is solicited by the Board of Directors of Cleveland-Cliffs Inc. ("Cliffs" or the "Company") for use at the Annual Meeting of Shareholders to be held on April 24, 2019 (the "2019 Annual Meeting"), and any adjournments or postponements thereof. This proxy statement, the accompanying proxy card, and our 2018 Annual Report will be distributed on or about March 12, 2019 to our shareholders of record as of the Record Date.

PROXY MATERIALS

Notice of Internet Availability of Proxy Materials

In accordance with rules adopted by the SEC, we are using the Internet as our primary means of furnishing proxy materials to our shareholders. Accordingly, most shareholders will not receive paper copies of our proxy materials. We will instead send our shareholders a Notice of Internet Availability of Proxy Materials with instructions for accessing the proxy materials and voting electronically over the Internet or by telephone, also known as Notice and Access. The notice also provides information on how shareholders may request paper copies of our proxy materials. We believe electronic delivery of our proxy materials will help us reduce the environmental impact and costs of printing and distributing paper copies and improve the speed and efficiency by which our shareholders can access these materials.

On or about March 12, 2019, we will mail to each shareholder (other than those shareholders who previously had requested paper delivery of proxy materials) a Notice of Internet Availability of Proxy Materials containing instructions on how to access and review the proxy materials, including our 2019 Proxy Statement and the 2018 Annual Report on Form 10-K filed with the SEC, on the Internet and how to access a proxy card to vote via the Internet or by telephone.

The close of business on February 25, 2019 has been fixed as the Record Date of the 2019 Annual Meeting, and only shareholders of record at that time will be entitled to vote.

The Notice of Internet Availability will contain a 16-digit control number that recipients will need to access the proxy materials, to request paper or email copies of the proxy materials and to vote their shares via the Internet or by telephone.

MEETING INFORMATION

Householding

We are permitted to send a single set of proxy materials to shareholders who share the same last name and address. This procedure is called “householding” and is designed to reduce our printing and postage costs. If you are the beneficial owner, but not the record holder, of Cliffs shares, your broker, bank or other nominee may only deliver one set of proxy materials and, as applicable, any other proxy materials that are delivered until such time as you or other shareholders sharing an address notify your nominee that you want to receive separate copies. A shareholder who wishes to receive a separate copy of the proxy statement and annual report, either now or in the future, may submit this request by writing to our Secretary at Cleveland-Cliffs Inc., 200 Public Square, Suite 3300, Cleveland, Ohio 44114, or calling our Investor Relations department at (800) 214-0739, and they will be delivered promptly. Beneficial owners sharing an address who are receiving multiple copies of proxy materials and annual reports and who wish to receive a single copy of such materials in the future will need to contact their broker, bank or other nominee to request that only a single copy of each document be mailed to all shareowners at the shared address in the future.

Proxy Solicitation

We will bear the cost of solicitation of proxies. We have engaged Okapi Partners LLC to assist in the solicitation of proxies for fees and disbursements not expected to exceed approximately \$18,000 in the aggregate. In addition, employees and representatives of the Company may solicit proxies, and we will request that banks and brokers or other similar agents or fiduciaries transmit the proxy materials to beneficial owners for their voting instructions and we will reimburse them for their expenses in so doing.

Voting Rights

Shareholders of record on the Record Date are entitled to vote at the 2019 Annual Meeting. On the Record Date, there were outstanding 290,568,635 common shares entitled to vote at the 2019 Annual Meeting. A majority of the common shares entitled to vote must be represented at the 2019 Annual Meeting, in person or by proxy, to constitute a quorum and to transact business. Each outstanding share is entitled to one vote in connection with each item to be acted upon at the 2019 Annual Meeting. You may submit a proxy by electronic transmission via the Internet, by telephone or by mail, as explained on your proxy card.

Voting of Proxies

The common shares represented by properly authorized proxies will be voted as specified. It is intended that the shares represented by proxies on which no specification has been made will be voted: FOR ALL of the eleven nominees for director named herein or such substitute nominees as the Board may designate; FOR the approval, on an advisory basis, of our NEOs' compensation; and FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm to serve for the 2019 fiscal year; and, at the discretion of the persons named as proxies, on all other matters that may properly come before the 2019 Annual Meeting.

Cumulative Voting for Election of Directors

If notice in writing shall be given by any shareholder to the President, an Executive Vice President or the Secretary of the Company, not less than 48 hours before the time fixed for the holding of the 2019 Annual Meeting, that such shareholder desires that the voting for the election of directors shall be cumulative, and if an announcement of the giving of such notice is made upon the convening of the 2019 Annual Meeting by the Chairman or Secretary or by or on behalf of the shareholder giving such notice, each shareholder shall have the right to cumulate such voting power as he or she possesses at such election. Under cumulative voting, a shareholder may cast for any one nominee as many votes as shall equal the number of directors to be elected, multiplied by the number of his or her shares. All such votes may be cast for a single nominee or may be distributed among any two or more nominees as he or she may desire. If cumulative voting is invoked, and unless contrary instructions are given by a shareholder who signs a proxy, all votes represented by such proxy will be cast in such manner and in accordance with the discretion of the person acting as proxy as will result in the election of as many of our Board's nominees as is possible.

Counting Votes

The results of shareholder voting will be tabulated by the inspector of elections appointed for the 2019 Annual Meeting. We intend to treat properly authorized proxies as “present” for purposes of determining whether a quorum has been achieved at the 2019 Annual Meeting.

Abstentions and broker non-votes will have no effect with respect to the election of directors. Abstentions will have the effect of votes against, and broker non-votes will have no effect, with respect to the advisory votes regarding the compensation of our NEOs. Abstentions will have the effect of votes against with respect to the ratification of Deloitte & Touche LLP as our independent registered public accounting firm. The ratification of Deloitte & Touche LLP as our independent registered public accounting firm is a routine matter and, as a result, we do not expect to have broker non-votes with respect to this proposal.

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CORPORATE GOVERNANCE

BOARD LEADERSHIP STRUCTURE

The Chairman of our Board is Lourenco Goncalves, who is also our President and Chief Executive Officer ("CEO"). Pursuant to our Corporate Governance Guidelines, when the positions of Chairman and CEO are held by one individual or if the Chairman is a Cliffs' executive, then the Governance and Nominating Committee (the "Governance Committee") recommends to the Board a Lead Director. Douglas C. Taylor currently serves as our Lead Director. The Board believes that this leadership structure is the optimal structure to guide our Company and to maintain the focus to achieve our business goals and represents our shareholders' interests.

Under this leadership structure, Mr. Goncalves, as Chairman, is responsible for overseeing and facilitating communications between our management and the Board, for setting the meeting schedules and agendas, and leading Board discussions during Board meetings. In his combined role, Mr. Goncalves has the benefit of Cliffs' personnel to help with extensive meeting preparation, responsibility for the process of recordkeeping of all Board deliberations, and the benefit of direct daily contact with management and the internal audit department. The Chairman works closely with the Lead Director in setting meeting agendas and in ensuring that essential information is communicated effectively to the Board.

The Lead Director's responsibilities include: chairing executive session meetings of the independent directors; leading the Board's processes for evaluating the CEO; presiding at all meetings of the Board at which the Chairman is not present; serving as a liaison between the Chairman and the independent directors; and meeting separately at least annually with each director.

This leadership structure provides our Chairman with the readily available resources to manage the affairs of the Board while allowing our Lead Director to provide effective and timely advice and guidance. Our governance process is based on our Corporate Governance Guidelines, which are available on our website at www.clevelandcliffs.com. In accordance with the New York Stock Exchange's (the "NYSE") corporate governance listing standards, our non-management directors meet at regularly scheduled executive sessions without management present. These meetings take place at least once quarterly.

BOARD'S ROLE IN RISK OVERSIGHT

The Board as a whole oversees our enterprise risk management ("ERM") process. The Board executes its risk oversight role in a variety of manners. The full Board regularly discusses the key strategic risks facing Cliffs. The Board delegates oversight responsibility for certain areas of risk to its committees. Generally, each committee oversees risks that are associated with the purpose of and responsibilities delegated to that committee. For example, the Audit Committee oversees risks related to accounting and financial reporting. In addition, pursuant to its charter, the Audit Committee periodically reviews our ERM process. The Compensation and Organization Committee (the "Compensation Committee") monitors risks related to development and succession planning for the CEO and executive officers, and compensation and related policies and programs for executive and non-executive officers and management. The Governance Committee handles risks with respect to board composition, membership and structure, and corporate governance matters. The Strategy Committee oversees our strategic plan and annual management objectives and oversees, advises on and monitors opportunities and risks relating to our strategic plan. As appropriate, the respective committees' Chairpersons provide reports to the full Board.

Through the ERM process, management is responsible for the day-to-day management of Cliffs' risks. The ERM process includes the involvement of management in the identification, assessment, mitigation and monitoring of a wide array of potential risks from strategic to operational to compliance-related risks throughout the Company. Executive management regularly reports to the Board or relevant committees regarding Cliffs' key risks and the actions being taken to manage these risks.

The Company believes that its leadership structure supports the risk oversight function of the Board. Except for the Strategy Committee, independent directors chair our committees, which are each involved with risk oversight, and all directors actively participate in the Board's risk oversight function.

BOARD MEETINGS AND COMMITTEES

Our directors discharge their responsibilities in a variety of ways, including reviewing reports to directors, visiting our facilities, corresponding with the Chairman, President and CEO, and conducting telephone conferences with the Chairman, President and CEO and directors regarding matters of interest and concern to Cliffs. In addition, our directors have regular access to our senior management. All committees regularly report their activities, actions and recommendations to the Cliffs Board.

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CORPORATE GOVERNANCE

During 2018, our Board held seven meetings. Each director attended, either in person or by telephone conference, at least 80% of the Board and committee meetings held while serving as a director or committee member in 2018. Pursuant to Board policy, all serving directors are expected to attend all Board and committee meetings, as well as our annual meetings of shareholders. All of our directors who were standing for re-election and were incumbent directors at the time of the 2018 Annual Meeting attended the meeting.

The Board of Directors currently has four standing committees: the Audit Committee, the Compensation Committee, the Governance Committee and the Strategy Committee. Each of these four committees have a charter that can be found on our website at www.clevelandcliffs.com/investors under “Corporate Governance” then “Committees.” A biographical overview of the members of our committees can be found beginning on page 14.

Board Committees

AUDIT COMMITTEE

MEMBERS: 4 INDEPENDENT: 4 AUDIT COMMITTEE FINANCIAL EXPERTS: 2
2018 MEETINGS: 10
RESPONSIBILITIES:

Reviews with our management, the internal auditors and the independent registered public accounting firm, the adequacy and effectiveness of our system of internal control over financial reporting

Reviews significant accounting matters

Reviews quarterly unaudited financial information prior to public release

Approves the audited financial statements prior to public distribution

Approves our assertions related to internal controls prior to public distribution

Reviews any significant changes in our accounting principles or financial reporting practices

Evaluates our independent registered public accounting firm; discusses with the independent registered public accounting firm their independence and considers the compatibility of non-audit services with such independence

Annually selects and retains our independent registered public accounting firm to examine our financial statements and reviews, approves and retains the services performed by our independent registered public accounting firm

Approves management’s appointment, termination or replacement of the head of Internal Audit

Conducts a legal compliance review at least annually

CHAIR: John T. Baldwin MEMBERS: Robert P. Fisher, Jr., M. Ann Harlan, and Eric M. Rychel
COMPENSATION AND ORGANIZATION COMMITTEE

MEMBERS: 4 INDEPENDENT: 4 2018 MEETINGS: 7
RESPONSIBILITIES:

•

Oversees development and implementation of Cliffs’ compensation policies and programs for executive officers

- Ensures that criteria for awards under incentive plans relate to Cliffs' strategic plan and operating performance objectives and approves equity-based awards
- Reviews and evaluates CEO and executive officer performance and approves compensation (with the CEO's compensation being subject to ratification by the independent members of the Board)
- Recommends to the Board the election of officers
- Assists with management development and succession planning
- Reviews employment and severance arrangements and oversees regulatory compliance regarding compensation matters and related party transactions
- Obtains the advice of outside experts with regard to compensation matters
- May, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee and may delegate certain equity award grant authority to officers of Cliffs, subject to applicable law

CHAIR: Douglas C. Taylor MEMBERS: John T. Baldwin, Eric M. Rychel and Gabriel Stoliar

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CORPORATE GOVERNANCE

GOVERNANCE AND NOMINATING COMMITTEE

MEMBERS: 4 INDEPENDENT: 4 2018 MEETINGS: 5
RESPONSIBILITIES:

Oversees annual review of our Corporate Governance Guidelines and our Guidelines for Selection of Nonemployee Directors and periodic review of external developments in corporate governance matters generally

Periodically reviews and makes recommendations regarding the CEO's authorized levels for corporate expenditures

Establishes and maintains, with the Audit Committee, procedures for review of related party transactions

Monitors the Board governance process and provides counsel to the CEO on Board governance and other matters

Recommends changes in membership and responsibility of Board committees

Acts as the Board's Nominating Committee and Proxy Committee in the election of directors

Annually reviews and administers our director compensation plans and benefits, and makes recommendations to the Board with respect to compensation plans and equity-based plans for directors

Other responsibilities include oversight of annual evaluation of the Board and CEO and monitoring risks associated with Board organization, membership, structure and succession planning

CHAIR: Joseph A. Rutkowski, Jr. MEMBERS: Susan M. Green, Janet L. Miller and Michael D. Siegal

STRATEGY COMMITTEE

MEMBERS: 4 INDEPENDENT: 3 2018 MEETINGS: 5
RESPONSIBILITIES:

-

Oversees Cliffs' strategic plan, annual management objectives and operations and monitors risks relevant to management's strategy

-

Provides advice and assistance with developing our current and future strategy

-

Provides follow up oversight with respect to the comparison of actual results with estimates for major projects and post-deal integration

-

Ensures that Cliffs has appropriate strategies for managing exposures to economic and hazard risks

-

Assesses Cliffs' overall capital structure and its capital allocation priorities

-

Assists management in determining the resources necessary to implement Cliffs' strategic and financial plans

-

Monitors the progress and implementation of Cliffs' strategy

CHAIR: Lourenco Goncalves MEMBERS: Susan M. Green, Joseph A. Rutkowski, Jr. and Douglas C. Taylor

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CORPORATE GOVERNANCE

IDENTIFICATION AND EVALUATION OF DIRECTOR CANDIDATES

Shareholder Nominees

The policy of the Governance Committee is to consider properly submitted shareholder nominations for candidates for membership on the Board as described below under “Identifying and Evaluating Nominees for Directors.” In evaluating nominations, the Governance Committee seeks to achieve a balance of knowledge, experience and capability on the Cliffs Board and to address the membership criteria set forth below under “Board Diversity and Director Qualifications.” Any shareholder nominations proposed for consideration by the Governance Committee should include: (i) complete information as to the identity and qualifications of the proposed nominee, including name, address, present and prior business and/or professional affiliations, education and experience, and particular fields of expertise; (ii) an indication of the nominee’s consent to serve as a director if elected; and (iii) the reasons why, in the opinion of the recommending shareholder, the proposed nominee is qualified and suited to be a director. Shareholder nominations should be addressed to Cleveland-Cliffs Inc., 200 Public Square, Suite 3300, Cleveland, Ohio 44114, Attention: Secretary. Our Regulations provide that at any meeting of shareholders at which directors are to be elected, only persons nominated as candidates will be eligible for election.

Board Diversity and Director Qualifications

The Governance Committee considers board diversity as it deems appropriate and consistent with our Corporate Governance Guidelines, the charter of the Governance Committee and other criteria established by our Board. The Governance Committee’s goal in selecting directors for nomination to the Cliffs Board generally is to seek to create a well-balanced team that combines diverse experience, skill and intellect of seasoned directors in order to enable us to pursue our strategic objectives. The Governance Committee has not reduced the qualifications for service on the Cliffs Board to a checklist of specific standards or minimum qualifications, skills or qualities. Rather, the Governance Committee seeks, consistent with the vacancies existing on our Board at any particular time and the interplay of a particular candidate’s experience with the experience of other directors, to select individuals whose business experience, knowledge, skills, diversity and integrity would be considered a desirable addition to our Board and any committees thereof. In addition, the Governance Committee annually conducts a review of incumbent directors in order to determine whether a director should be nominated for re-election to the Cliffs Board.

Identifying and Evaluating Nominees for Directors

The Governance Committee utilizes a variety of methods for identifying and evaluating nominees for director. The Governance Committee regularly reviews the appropriate size of our Board and whether any vacancies on our Board are expected due to retirement or otherwise. In the event that vacancies are anticipated, or otherwise arise, the Governance Committee considers various potential candidates for director. Applicable considerations include: whether the current composition of the Cliffs Board is consistent with the criteria described in our Corporate Governance Guidelines; whether the candidate submitted possesses the qualifications that generally are the basis for selection of candidates to the Cliffs Board; and whether the candidate would be considered independent under the rules of the NYSE and our standards with respect to director independence. Candidates may come to the attention of the Governance Committee through current Board members, professional search firms, shareholders or other persons. As described above, the Governance Committee considers properly submitted nominations for candidates for the Cliffs Board. Following verification of the recommending shareholder’s status, recommendations are considered by the Governance Committee at its next regularly scheduled meeting. Final approval of any candidate is determined by our full Board.

COMMUNICATIONS WITH DIRECTORS

Shareholders and interested parties may communicate with the Lead Director, our non-management directors as a group or the Cliffs Board by writing to the Lead Director at Cleveland-Cliffs Inc., 200 Public Square, Suite 3300, Cleveland, Ohio 44114. As set forth in the Corporate Governance Guidelines, the Lead Director will report to the full Board any communications that are directed at all members of the Cliffs Board. The Secretary routinely filters communications that are solicitations or complaints, unrelated to Cliffs or Cliffs’ business or determined to pose a possible security risk to the addressee.

CODE OF BUSINESS CONDUCT AND ETHICS

We have adopted a Code of Business Conduct and Ethics (the "Ethics Code"), which applies to all of our directors, officers and employees. The Ethics Code is available on our website at www.clevelandcliffs.com in the Corporate Governance section under "Investors." We intend to post amendments to or waivers from our Ethics Code (to the extent applicable to our principal executive officer, principal financial officer or principal accounting officer) on our website. Reference to our website and the contents thereof do not constitute incorporation by reference of the information contained on our website, and such information is not part of this proxy statement.

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CORPORATE GOVERNANCE

INDEPENDENCE AND RELATED PARTY TRANSACTIONS

Our Board has determined that each of the current directors standing for re-election, other than Mr. Goncalves, and all of the current members of the Audit, Governance, and Compensation Committees, have no material relationship with us (either directly or as a partner, shareholder or officer of an organization that has a relationship with us) and is independent within the NYSE director independence standards. Mr. Goncalves is our Chairman, President and CEO, and, as such, is not considered independent.

Since January 1, 2018, there has been one transaction, in which Cliffs was a participant and the amount exceeds \$120,000, and in which a related person had or will have a direct or material interest. We recognize that transactions between us and any of our directors or executive officers can present potential or actual conflicts of interest and create the appearance that our decisions are based on considerations other than the best interests of our shareholders.

We have a written Related Party Transactions Policy, pursuant to which we only will enter into related party transactions if our CEO and Chief Legal Officer determine that the transaction is comparable to those that could be obtained in arm's length dealings with an unrelated third party. If the transaction is approved by our CEO and Chief Legal Officer, then the transaction also must be approved by the disinterested members of our Audit Committee. For purposes of our policy, we define a related person as any person who is a director, executive officer, nominee for director or an immediate family member of a director, an executive officer or a nominee for director. We define a related party transaction as a transaction, agreement or relationship in which Cliffs was, is or will be a participant, the amount of the transaction exceeds \$120,000, and a related person has or will have a direct or indirect material interest. However, compensation paid by Cliffs for service as a director or executive officer of the Company is not deemed to be a related party transaction, even if the aggregate amount involved exceeds \$120,000. Under our policy, any related party transactions are reviewed by the Audit Committee at each quarterly committee meeting.

In September 2016, Cliffs hired Mr. Celso Goncalves, the son of our Chairman, President and CEO, as our Assistant Treasurer. Effective January 1, 2018, Mr. Celso Goncalves was promoted to Vice President, Treasurer and named an officer of Cliffs. With respect to fiscal year 2018, Mr. Celso Goncalves was paid a salary of \$250,000, earned incentive compensation under the Management Performance Incentive Plan of \$375,000 and participated in other regular and customary employee benefit plans, programs generally available to our employees. In addition, in February 2018, Mr. Celso Goncalves was granted a Restricted Stock Unit Award of 11,364 common shares, which had a grant date value of \$85,571, and a Performance Share Award of 11,364 common shares, which had a grant date value of \$85,571, as well as a Performance Cash Award of \$85,000. The foregoing compensation arrangement is considered a Related Party Transaction under our policy. During 2018, Mr. Celso Goncalves' compensation was reviewed and approved by our Audit Committee in accordance with the policy.

We have entered into indemnification agreements with each current member of the Board. The form and execution of the indemnification agreements were approved by our shareholders at the Annual Meeting convened on April 29, 1987. The indemnification agreements essentially provide that, to the extent permitted by Ohio law, we will indemnify the indemnitee against all expenses, costs, liabilities and losses (including attorneys' fees, judgments, fines or settlements) incurred or suffered by the indemnitee in connection with any suit in which the indemnitee is a party or otherwise involved as a result of his or her service as a member of the Board. In connection with the indemnification agreements, we have a trust agreement with KeyBank National Association pursuant to which the parties to the indemnification agreements may be reimbursed with respect to enforcing their respective rights under the indemnification agreements.

In 2004, we reached an agreement with the United Steelworkers (the "USW") pursuant to which the USW may designate a member to the Board provided that the individual is acceptable to the Chairman, is recommended by the Board Affairs Committee (now known as the Governance Committee), and is then approved by the full Board to be considered a director nominee. In 2007, Susan Green was first proposed by the USW, elected to the Board by Cliffs' shareholders in July 2007, and re-elected in each of the years 2008 through 2013. As a result of the proxy contest in 2014, Ms. Green was not re-elected but was asked by the reconstituted Board to re-join the Board and was subsequently appointed on October 15, 2014 and re-elected each year since 2015.

DIRECTOR COMPENSATION

DIRECTOR COMPENSATION

Our Amended and Restated 2014 Nonemployee Directors' Compensation Plan (the "Directors' Plan"), which is further described below, allows for a combination of cash and equity compensation for our nonemployee directors.

Cash Compensation

Commencing July 1, 2018, each nonemployee director receives the following cash payments, paid in equal quarterly amounts, for his or her Board retainer and committee assignments (the same amounts were also in effect for the first six months of 2018).

BOARD FORM OF CASH COMPENSATION	2018 (\$)
Annual Retainer	120,000
Lead Director Annual Retainer	48,000
Audit Committee Chair Annual Retainer	24,000
Compensation Committee Chair Annual Retainer	15,000
Governance Committee Chair Annual Retainer	12,000

In addition, customary expenses for attending Board and committee meetings are reimbursed. Employee directors receive no additional cash compensation for their service as directors. We do not fund any type of retirement or pension plan for nonemployee directors.

Retainer Share Election Program

Starting in 2015, the Governance Committee recommended and the Board adopted a Nonemployee Director Retainer Share Election Program pursuant to which nonemployee directors may elect to receive all or certain portions of their annual retainer and any other fees earned in cash in Cliffs common shares. Election is voluntary and irrevocable for the applicable election period and shares issued under this program must be held for six months from the issuance date. The number of shares received each quarter are calculated by dividing the value of the quarterly cash retainer amount by the closing market price on the date of payment. Four nonemployee directors, Messrs. Fisher, Stoliar, Siegal and Taylor, participated in this program during 2018.

Equity Grants

During 2018, our nonemployee directors received restricted share awards under the Directors' Plan. For 2018, nonemployee directors were granted a number of restricted shares, with a value equal to \$100,000, based on the closing price of the Company's common shares on the NYSE on April 24, 2018, the date of our annual meeting of shareholders in 2018. These grants were subject to any deferral election and made pursuant to the terms of the Directors' Plan and an award agreement, effective on April 24, 2018.

Directors receive dividends, if any, on their restricted share awards and may elect to reinvest all cash dividends in additional common shares. Those additional common shares are subject to the same restrictions as the underlying award. Cash dividends not subject to a deferral election will be paid to the director without restriction.

Share Ownership Guidelines

We have established Director Share Ownership Guidelines and assess each director's compliance with the guidelines on a quarterly basis. The Director Share Ownership Guidelines provide that each director hold or acquire common shares of the Company having a market value equal to at least 3.5x the current annual retainer within five years of becoming a director. As of December 31, 2018, Messrs. Baldwin, Fisher, Rutkowski, Rychel, Siegal, Stoliar and Taylor and Ms. Green were in compliance with the guidelines, but we note that all directors are within the applicable timeframe to reach compliance.

Deferrals

Our Directors' Plan gives nonemployee directors the opportunity to defer all or a portion of their awards that are denominated or payable solely in shares. Deferred share accounts earn dividend equivalents at the end of each quarter based on any cash dividends we pay during the quarter, which dividend equivalents are credited to the accounts in the form of additional deferred shares. The amounts in the director's deferral account together with any deferred dividends, will be paid to the director in the form elected after such director's termination of service, death, or a change in control of Cliffs.

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DIRECTOR COMPENSATION

DIRECTOR COMPENSATION FOR 2018

The following table, supported by the accompanying footnotes and the narrative above, sets forth for fiscal year 2018 all compensation earned by the individuals who served as our nonemployee directors at any time during 2018. In early 2019, our Board elected two additional directors who will earn compensation commensurate with that earned by our other nonemployee directors.

NAME	FEES EARNED OR PAID IN CASH \$(1)	STOCK AWARDS \$(2)	ALL OTHER COMPENSATION (\$)	TOTAL (\$)
J. T. Baldwin	144,000	99,998	—	243,998
R.P. Fisher, Jr.	127,500	99,998	—	227,498
S. M. Green	120,000	99,998	—	219,998
J.A. Rutkowski, Jr.	126,000	99,998	—	225,998
E.M. Rychel	120,000	99,998	—	219,998
M. D. Siegal	120,000	99,998	—	219,998
G. Stoliar	120,000	99,998	—	219,998
D. C. Taylor	181,500	99,998	—	281,498

(1) The amounts listed in this column reflect the aggregate cash dollar value of all earnings in 2018 for annual retainer fees and chair retainers.

The amounts reported in this column reflect the aggregate grant date fair value computed in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 718 for the nonemployee directors' restricted share awards granted during 2018, which awards are further described above, and whether or not deferred by the director. The grant date fair value of the nonemployee directors' restricted share award of 27,567 shares on April 24, 2018 was \$7.28 per share (approximately \$100,000). Messrs. Rychel and Siegal elected to defer all or a portion of their restricted share award under the Directors' Plan. As of December 31, 2018, the aggregate number of restricted shares subject to forfeiture held by each nonemployee director was as follows: Mr. Baldwin - 13,736; Mr. Fisher - 13,736; Ms. Green - 13,736; Mr. Rutkowski - 13,736; Mr. Siegal - 10,302; Mr. Stoliar - 13,736; and Mr. Taylor - 13,736. As of December 31, 2018, the aggregate number of unvested deferred share units allocated to the deferred share accounts of Messrs. Rychel and Siegal under the Directors' Plan were 27,567 and 25,169, respectively.

ELECTION
PROPOSAL 1 OF
DIRECTORS

The Board has nominated John T. Baldwin, Robert P. Fisher, Jr., Lourenco Goncalves, Susan M. Green, M. Ann Harlan, Janet L. Miller, Joseph A. Rutkowski, Jr., Eric M. Rychel, Michael D. Siegal, Gabriel Stoliar and Douglas C. Taylor to serve until the next Annual Meeting of Shareholders or until their successors shall be elected. All of the nominees are independent under the NYSE corporate governance rules, except for Mr. Goncalves. All of the nominees, except for Ms. Harlan and Miller, were elected by the shareholders at the Annual Meeting of Shareholders held on April 24, 2018. The Board appointed Ms. Harlan and Miller to the Board on January 28, 2019. Ms. Harlan and Miller were recommended to our Governance Committee by our CEO.

Each of the director nominees has consented to his or her name being submitted by Cliffs as a nominee for election as a member of the Cliffs Board. Each such nominee has further consented to serve as a member of the Cliffs Board if elected. Should any nominee decline or be unable to accept such nomination to serve as a director, an event that we currently do not anticipate, the persons named as proxies reserve the right, in their discretion, to vote for a lesser number of nominees or for substitute nominees designated by the directors, to the extent consistent with our Regulations.

The members and nominees for the Cliffs Board have diversified professional experience in general management, steel manufacturing and processing, mining, metallurgical engineering, operations, finance, investment banking, labor, law and other fields. There is no family relationship among any of our nominees and executive officers. The average age of the nominees currently serving on the Cliffs Board is 61, ranging from ages 45 to 66. The average years of service of the nominees currently serving on the Cliffs Board is 4.2 years, ranging from less than 1 year to over 11 years of service.

In the election of directors, the nominees receiving a plurality vote of the shares will be elected. However, under our current majority voting policy, any director-nominee that is elected in an uncontested election but fails to receive a majority of votes cast (which excludes abstentions and broker non-votes) is expected to tender his or her resignation, which resignation will be considered by the Governance Committee and our Board.

Under Ohio law, shareholders have the right to exercise cumulative voting in the election of directors as described under "Cumulative Voting for Election of Directors" on page 5. If cumulative voting rights are in effect for the election of directors, which we currently do not anticipate to be the case, you may allocate among the director nominees, as you see fit, the total number of votes equal to the number of director positions to be filled multiplied by the number of shares you hold.

Profile of Nominees (including our CEO)

Average tenure of 3	91%
4.2 years	womenindependent
Average age	Three
of directors is	new directors
61	joined the Board in
	the last three years

THE BOARD RECOMMENDS A VOTE FOR EACH OF THE NOMINEES LISTED ON THE FOLLOWING PAGES.

PROPOSAL 1 ELECTION OF DIRECTORS

INFORMATION CONCERNING DIRECTOR NOMINEES

JOHN T. BALDWIN

Age: 62

Director since 2014

Other Current Public Directorships:

None

Former Public Directorships:

Metals USA Holdings Corp. (2006 - 2013)

The Genlyte Group Incorporated (2003 - 2008)

Specific qualifications, experience, skills and expertise:

Former Audit Committee Chairman

Retired Chief Financial Officer with over twenty-five years of increasing financial responsibility

Broad experience structuring and negotiating complicated financial M&A transactions

Former Director and Chairman of the Audit Committee of Metals USA Holdings Corp., a provider of a wide range of products and services in the heavy carbon steel, flat-rolled steel, specialty metals, and building products markets, from January 2006 to April 2013; Senior Vice President and Chief Financial Officer of Graphic Packaging Corporation, 2003 to 2005. Mr. Baldwin holds a Bachelor of Science degree from the University of Houston and J.D. from the University of Texas School of Law.

ROBERT P. FISHER,
JR.

Age: 64

Director since 2014

Other Current Public Directorships:

None

Former Public Directorships:

CML Healthcare, Inc. (2010 - 2013)

Specific qualifications, experience, skills and expertise:

Vast experience in the investment and finance industries which included advising the boards of numerous public companies

Served on the Audit Committee, the Nominating and Corporate Governance Committee and as chair of the Human Resources Committee of CML Healthcare, Inc.

President and Chief Executive Officer of George F. Fisher, Inc., a private investment company that manages a portfolio of public and private investments, since 2002. Mr. Fisher served in various positions with Goldman, Sachs & Co., a global investment banking firm, from 1982 until 2001, eventually serving as Managing Director and head of its Canadian Corporate Finance and Canadian Investment Banking units for eight years and then as head of Goldman Sachs Investment Banking Mining Group. During Mr. Fisher's tenure at Goldman, Sachs & Co., he worked extensively with many of the leading North American metals and mining companies, and also served as the head of Goldman's Investment Banking Mining Group. Mr. Fisher holds a Bachelor of Arts degree from Dartmouth College and a Master of Arts degree in Law and Diplomacy from Tufts University.

LOURENCO GONCALVES

Age: 61

Director since 2014

Other Current Directorships:

American Iron and Steel Institute (2014)

Former Public Directorships:

Ascometal SAS (2011 - 2014)

Metals USA Holdings Corp. (2006 - 2013)

Specific qualifications, experience, skills and expertise:

More than 30 years of experience in the metals and mining industries

Extensive board experience, in the United States and abroad

Metals USA Inc. (2003 - 2006)

Chairman of the Board, President and Chief Executive Officer of the Company since August 2014; Chairman, President and Chief Executive Officer of Metals USA Holdings Corp., an American manufacturer and processor of steel and other metals from May 2006 through April 2013; President, Chief Executive Officer and a director of Metals USA Inc. from February 2003 through April 2006. Prior to Metals USA, Mr. Goncalves served as President and Chief Executive Officer of California Steel Industries, Inc. from March 1998 to February 2003. Mr. Goncalves earned a Bachelor's degree in Metallurgical Engineering from the Military Institute of Engineering in Rio de Janeiro, Brazil and a Masters of Science degree in Metallurgical Engineering from the Federal University of Minas Gerais in Belo Horizonte, Brazil. Mr. Goncalves was most recently recognized as a Distinguished Member and Fellow by the Association for Iron & Steel Technology.

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PROPOSAL 1 ELECTION OF DIRECTORS

SUSAN M. GREEN

Age: 59

Director since 2007

Other Current Public

Directorships:

None

Former Public Directorships:

Cleveland-Cliffs Inc. (2007 - 2014)

Specific qualifications, experience, skills and expertise:

Experienced law and policy advocate in the public and private sectors

Served as both a labor organizer and as an attorney representing employees, labor unions, and employee benefit plans

Brings her diverse experiences as labor attorney and an alternative point of view to our Board

Former Deputy General Counsel, U.S. Congress Office of Compliance, which enforces the labor and employment laws for the Legislative Branch, from November 2007 through September 2013. Prior to that position, Ms. Green held several appointments in the U.S. Department of Labor during the Administration of President Bill Clinton (1999-2001), and served as Chief Labor Counsel for then-Senator Edward M. Kennedy (1996-1999). Ms. Green was originally proposed as a nominee for the Board by the USW pursuant to the terms of our 2004 labor agreement. Ms. Green received her J.D. from Yale Law School and an A.B. from Harvard College.

M. ANN HARLAN

Age: 59

Director since 2019

Other Current Public

Directorships:

The Gorman-Rupp Company (since 2009)

Former Public Directorships:

None

Specific qualifications, experience, skills and expertise:

Extensive business and legal experience across a variety of industries

Independent board member on both public and private company boards as well as nonprofit organizations

Lead Director of The Gorman-Rupp Company

Former Vice President, General Counsel and Corporate Secretary of The J.M. Smucker Company, from January 1998 to January 2011, a Fortune 500 company listed on the NYSE that manufactures and markets over 40 food and pet food brands with more than 30 manufacturing locations. Ms. Harlan was a member of the Smucker executive management team responsible for setting and implementing corporate strategy and has broad experience with corporate governance issues and requirements of NYSE, the SEC and the Sarbanes-Oxley Act of 2002. Ms. Harlan holds a Bachelor of Arts degree in Government from Skidmore College and a J.D. from Case Western Reserve University School of Law. She has also completed an Executive Education Program at Harvard Business School.

JANET L. MILLER

Age: 65

Director since 2019

Other Current Public

Directorships:

None

Former Public Directorships:

None

Specific qualifications, experience, skills and expertise:

Extensive advisory experience on governance, internal audit, legal and enterprise risk management

Active leader on numerous civic and philanthropic boards

Chief Legal Officer and Corporate Secretary of University Hospitals, since 2001, a nationally ranked health care system headquartered in Cleveland, Ohio, with annual revenues in excess of \$4 billion. As Chief Legal Officer, Ms. Miller is a trusted advisor to the University Hospitals parent organization, as well as its many subsidiaries, on

governance, internal audit, legal and enterprise risk matters. Ms. Miller recently announced her retirement from University Hospitals, which will be effective in May 2019. Prior to joining University Hospitals in 2001, Ms. Miller was a partner in the Cleveland office of Jones Day and also served as the Cleveland Office Administrative Partner for Financial Matters. Ms. Miller received her undergraduate degree in business administration with a focus in accounting from the University of Michigan and a J.D. degree from the University of Notre Dame.

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PROPOSAL 1 ELECTION OF DIRECTORS

JOSEPH A. RUTKOWSKI,
JR.

Age: 64

Director since 2014

Other Current Public

Directorships:

Insteel Industries, Inc. (since 2015)

Cenergy Holdings SA (since 2016)

Former Public Directorships:
None

Specific qualifications, experience, skills and expertise:

Over 30 years of experience in the steel industry, including 12 years of service as executive vice president of Nucor

Expertise in M&A, strategy, and iron and steelmaking technology

Principal of Winyah Advisors LLC, a management consulting firm, since 2010; former Executive Vice President of Nucor Corporation ("Nucor"), the largest steel producer in the United States, from 1998 to 2010; various previous capacities at Nucor that included: Manager of Melting and Casting at the Nucor steel division from 1991 to 1992; General Manager from 1992 to 1998; Vice President from 1993 to 1998. Mr. Rutkowski holds a Bachelor's of Science in Mechanics and Materials Science from Johns Hopkins University.

ERIC M. RYCHEL

Age: 45

Director since 2016

Other Current Public

Directorships:

None

Former Public

Directorships:

None

Specific qualifications, experience, skills and expertise:

As Aleris' Chief Financial Officer since 2014, Mr. Rychel leads all of Aleris' capital structure and key initiatives in finance. He provides leadership for the global finance, investor relations and IT functions, and also chairs Aleris' risk and benefits committees.

Executive Vice President, Chief Financial Officer and Treasurer of Aleris Corporation, a global leader in the manufacture and sale of aluminum rolled products; Senior Vice President and Chief Financial Officer of Aleris Corporation from April 2014 - December 2014; Vice President and Treasurer of Aleris Corporation from 2012 - 2014; Managing Director, Industrials Group at Barclays Capital, Inc. from 2010 - 2012. Mr. Rychel received his Bachelor of Science in Economics degree from Wharton School of the University of Pennsylvania.

MICHAEL D. SIEGAL

Age: 66

Director since 2014

Other Current Public Directorships:

Olympic Steel, Inc. (since 1994)

Former Public Directorships:

None

Specific qualifications, experience, skills and expertise:

Possesses proven managerial skills with over 30 years of executive experience

Active leader on numerous civic and philanthropic boards

Executive Chairman of the Board of Olympic Steel, Inc., a publicly traded company since 1994, focused on the value-added processing of flat rolled and tubing metal products, since 1984. Chairman and Chief Executive Officer of Olympic Steel (1994 - 2018). Under Mr. Siegal's leadership, Olympic Steel experienced consistent growth and has been transformed from a family-owned steel distributor to a publicly-traded fully-integrated, value added processor

and supply chain manager serving the outsourcing needs of America's largest manufacturers. Olympic Steel has grown from \$35 million to more than \$1 billion in revenues. Mr. Siegal received his Bachelor of Science degree from Miami University.

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PROPOSAL 1 ELECTION OF DIRECTORS

GABRIEL STOLIAR

Age: 64

Specific qualifications, experience, skills and expertise:

Director since 2014

Other Current Public Directorships: Vast experience in and relating to the metals and mining industries Tupy S.A. (since 2009)

Former Public Directorships: Extensive experience serving on various boards of directors
None

Managing Partner of Studio Investimentos, an asset management firm focused on Brazilian equities, since 2009; Chairman of the board of directors of Tupy S.A., a foundry and casting company, since 2009; board of directors of LogZ Logistica Brasil S.A., a ports logistic company, from 2011 to 2018; Chief Financial Officer and Head of Investor Relations and subsequently as Executive Director of Planning and Business Development at Vale S.A., a Brazilian multinational diversified metals and mining company, from 1997 to 2008. Mr. Stoliar holds a Bachelor's of Science in Industrial Engineering from the Universidade Federal do Rio de Janeiro, a post graduate degree in Production Engineering with focus in Industrial Projects and Transportation from the Universidade Federal do Rio de Janeiro and an Executive MBA from PDG-SDE/RJ.

DOUGLAS C. TAYLOR

Age: 54

Director since 2014

Specific qualifications, experience, skills and expertise:

Other Current Public

Directorships:

None Extensive financial and strategic advisory investment experience, including advising public companies

Former Public Directorships:

Sapphire Industrials Corp. (2008 - 2010)

Lead Director of the Board since August 2014. Former Managing Partner of Casablanca Capital LP, a hedge fund, from 2010-2016; Managing Director at Lazard Freres, a leading financial advisory and asset management firm, from 2002 to 2010; Chief Financial Officer and director at Sapphire Industrials Corp., from 2008 to 2010. Mr. Taylor holds a Bachelor of Arts degree in Economics from McGill University and a Master of Arts degree in International Affairs from Columbia University School of International and Public Affairs.

OWNERSHIP OF EQUITY SECURITIES OF THE COMPANY

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COMPANY

The following table sets forth the amount and percent of common shares that, as of February 25, 2019 (except as otherwise indicated), are deemed under the rules of the SEC to be “beneficially owned” by each director named in this proxy statement, by our CEO, Chief Financial Officer (the “CFO”) and the other NEOs as identified in the 2018 Summary Compensation Table below by such persons, individually and collectively by the directors named in this proxy statement and the other executive officers as a group, and by any person or “group” (as the term is used in the Exchange Act) known to us as of that date to be a “beneficial owner” of more than five percent or more of the outstanding common shares. None of the shares owned by our directors, director nominees or executive officers are pledged as security.

NAME OF BENEFICIAL OWNER	AMOUNT AND NATURE OF "BENEFICIAL OWNERSHIP" (1)					PERCENT OF CLASS (2)
	BENEFICIAL OWNERSHIP	INVESTMENT POWER		VOTING POWER		
		SOLE	SHARED	SOLE	SHARED	
Directors						
John T. Baldwin	101,727		101,727	—	101,727	—
Robert P. Fisher, Jr.	99,160		99,160	—	99,160	—
Susan M. Green	74,460		74,460	—	74,460	—
M. Ann Harlan	2,493		2,493	—	2,493	—
Janet L. Miller	2,493		2,493	—	2,493	—
Joseph A. Rutkowski, Jr.	100,803		100,803	—	100,803	—
Eric M. Rychel	19,845		19,845	—	19,845	—
Michael D. Siegal	90,572		90,572	—	90,572	—
Gabriel Stoliar	156,543		156,543	—	156,543	—
Douglas C. Taylor	140,658		140,658	—	140,658	