

April 4, 2024



# Cleveland-Cliffs Applauds DOE's Final Transformer Efficiency Standard Rule

CLEVELAND--(BUSINESS WIRE)-- Cleveland-Cliffs Inc. (**NYSE: CLF**) today applauded the Department of Energy's (DOE) final transformer efficiency standard rule that will provide for the continued utilization of Grain-Oriented Electrical Steel (GOES) in virtually all of Cliffs' current distribution transformer end markets.

With this revised rule, the DOE acknowledged the fundamental importance of GOES and the essential role played by Cleveland-Cliffs steel plants in Butler, PA and Zanesville, OH in effectively sustaining the functionality of the U.S. electric grid. Cleveland-Cliffs and the United Auto Workers (UAW) worked collaboratively to educate the DOE on the shortcomings of the originally proposed distribution transformer rule and the danger of relying on Amorphous Metal, which is produced in very limited volumes and exclusively from imported materials.

Lourenco Goncalves, Cleveland-Cliffs' Chairman, President and Chief Executive Officer said, "We are grateful that the U.S. Department of Energy (DOE) was open to the feedback provided by Cleveland-Cliffs and our clientele of transformer manufacturers, and adopted major changes to the originally proposed transformer efficiency rule. The final rule ensures Cliffs' ability to continue producing highly-efficient GOES in the United States. Once this rule is enacted, we expect to actually see an increase in demand for our GOES, opening the possibility of future investments and expansion of our plants in Butler, PA and Zanesville, OH."

Cleveland-Cliffs currently employs 1,500 workers in Butler, PA and Zanesville, OH. Following the issuance of this rule, Cleveland-Cliffs can confidently make investments that will not only sustain these good-paying middle class jobs, but also increase the opportunities of employment for its skilled UAW-represented workforce.

## About Cleveland-Cliffs Inc.

Cleveland-Cliffs is the largest flat-rolled steel producer in North America. Founded in 1847 as a mine operator, Cliffs is also the largest manufacturer of iron ore pellets in North America. The Company is vertically integrated from mined raw materials, direct reduced iron, and ferrous scrap to primary steelmaking and downstream finishing, stamping, tooling, and tubing. Cleveland-Cliffs is the largest supplier of steel to the automotive industry in North America and serves a diverse range of other markets due to its comprehensive offering of flat-rolled steel products. Headquartered in Cleveland, Ohio, Cleveland-Cliffs employs approximately 28,000 people across its operations in the United States and Canada.

View source version on businesswire.com:

<https://www.businesswire.com/news/home/20240403104080/en/>

## MEDIA CONTACTS:

Patricia Persico

Senior Director, Corporate Communications  
(216) 694-5316

**INVESTOR CONTACT:**

James Kerr  
Director, Investor Relations  
(216) 694-7719

Source: Cleveland-Cliffs Inc.