CLEVELAND-CLIFFS AND U.S. STEEL

Creation of a New Leader in Steel

AUGUST 2023
FORWARD-LOOKING STATEMENTS AND IMPORTANT INFORMATION

FORWARD-LOOKING STATEMENTS

This presentation 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, our business or a transaction with United States Steel Corporation (U.S. Steel), 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: the risk that a transaction with U.S. Steel may not be consummated; the risk that a transaction with U.S. Steel may be less accretive than expected, or may be dilutive, to Cliffs’ earnings per share, which may negatively affect the market price of Cliffs common shares; the possibility that Cliffs and U.S. Steel will incur significant transaction and other costs in connection with a potential transaction, which may be in excess of those anticipated by Cliffs; the risk that the financing transactions to be undertaken in connection with a transaction have a negative impact on the combined company’s credit profile or financial condition; the risk that Cliffs may fail to realize the benefits expected from a transaction; the risk that the combined company may be unable to achieve anticipated synergies or that it may take longer than expected to achieve those synergies; the risk that any announcements relating to, or the completion of, a transaction could have adverse effects on the market price of Cliffs common shares; and the risk related to any unforeseen liability and future capital expenditure of Cliffs related to a transaction.

For additional factors affecting the business of Cliffs, refer to Part I – Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2022, and other filings with the U.S. Securities and Exchange Commission.

IMPORTANT INFORMATION FOR INVESTORS AND STOCKHOLDERS

This communication relates to a proposal which Cliffs has made for an acquisition of U.S. Steel. In furtherance of this proposal and subject to future developments, Cliffs may file one or more registration statements, proxy statements, tender offer statements or other documents with the Securities and Exchange Commission (“SEC”). This communication is not a substitute for any proxy statement, registration statement, tender offer statement or other document Cliffs may file with the SEC in connection with the proposed transaction.

Investors and security holders of Cliffs are urged to read the proxy statement(s), registration statement, tender offer statement and/or other documents filed with the SEC carefully in their entirety if and when they become available as they will contain important information about the proposed transaction. Any definitive proxy statement(s) (if and when available) will be mailed to stockholders of Cliffs, as applicable. Investors and security holders will be able to obtain free copies of these documents (if and when available) and other documents filed with the SEC by Cliffs through the website maintained by the SEC at http://www.sec.gov.

This document shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

This communication is neither a solicitation of a proxy nor a substitute for any proxy statement or other filing that may be made with the SEC. Nonetheless, Cliffs and its directors and certain of its executive officers may be considered participants in the solicitation of proxies in connection with the proposed transaction. Information about the directors and executive officers of Cliffs is set forth in its Annual Report on Form 10-K for the year ended December 31, 2022, and other filings with the SEC on February 14, 2023, and its proxy statement for its 2023 annual meeting of shareholders, which was filed with the SEC on April 4, 2023.

Any information concerning U.S. Steel contained in this filing has been taken from, or based upon, publicly available information. Although Cliffs does not have any information that would indicate that any information contained in this filing that has been taken from such documents is inaccurate or incomplete, Cliffs does not take any responsibility for the accuracy or completeness of such information. To date, Cliffs has not had access to the books and records of U.S. Steel.
# DELIVERY OF HIGHLY COMPELLING PROPOSAL TO U.S. STEEL SHAREHOLDERS

## Financially Attractive Offer
- Transaction valued at approximately $10 billion\(^1\)
  - $17.50 per share in cash
  - Exchange ratio of 1.023 shares of CLF for shares of X

## Significant Premium
- **43% premium** based on last closing price of Cleveland-Cliffs and U.S. Steel common stock on August 11, 2023
- **42% premium** based on last closing price of Cleveland-Cliffs and U.S. Steel common stock on July 28, 2023 (date of initial offer letter)

## Deal Certainty
- ✔ Full support and backing of the USW
- ✔ No financing contingency
- ✔ Expected regulatory approval in a timely manner

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1. Transaction value based on 30-day VWAP of Cleveland-Cliffs common stock
CREATION OF A NEW LEADER IN STEEL…

- Creates the **only American steel company** to be a member of the Top 10 steelmakers in the world

- Complementary capabilities with iron ore, DRI, scrap and integrated/EAF steelmaking form **ideal combination**

- Shared focus on aggressive emissions reduction more rapidly achieved with combined footprint

- Provides **customers** and **employees** a stronger, more innovative, and more competitive domestic U.S. steel producer

- Offer delivers **estimated synergies of ~$500 million**, provides **immediate multiple expansion** to U.S. Steel stockholders and **de-risks** U.S. Steel’s capital spend

- Union support, limited diligence needs, significant shareholder overlap and financing certainty **minimize execution risk**

Note: Financials per SEC filings
...AND THE ONLY U.S. COMPANY IN THE TOP 10 GLOBAL PRODUCERS OF STEEL

Global Steel Production – Top 20 Steel Producers (million metric tons)

Source: Association for Iron & Steel Technology and World Steel Association
Note: Reflects 2022 production; IMIDRO and NLMK are estimates

1. Includes tonnage of Xinyu Steel
2. Includes 60% AM/NS India (former Essar Steel)
3. Includes tonnage of Benxi Steel
4. Includes Nippon Steel Stainless Steel Corp.; Sanyo Special Steel, Ovako, 40% of AM/NS India and 31.4% of USIMINAS
5. Former Valin Group
6. Estimated tonnage of Mobarakeh Steel, Esfahan Steel, Khuzestan Steel and NISCO
THE MOST DYNAMIC, COMPETITIVE STEELMAKER IN NORTH AMERICA

North America Steel Shipments (million net tons)

1. Represents CY2022A North America steel shipments (in net tons) for each producer listed, except where otherwise noted.
2. Excludes U.S. Steel Europe segment shipments of 3.8Mnt.
3. Nucor figure reflects third-party shipments from steel mills division; Steel Dynamics figure reflects third-party shipments from steel operations division; Commercial Metals figure reflects LTM 11/30/2022 steel shipments.
4. Represents North America steel shipments for each of ArcelorMittal, Gerdaud and SSAB. Represents Mexico steel shipments for Ternium.
5. Reflects CY2022A seaborne imports per the International Trade Administration U.S. Steel Monitor.

North American Sales:
- Cliffs Pro Forma: $39,811
- Nucor: $41,512
- Steel Dynamics: $22,261
- ArcelorMittal: $13,774
- Ternium: $8,828
- Gerdaud: $5,883
- Commercial Metals: $7,462
- Stelco: $2,559
- NorthStar: $2,509
- Algoma: $2,248
- SSAB: $3,085
DELIVERS HIGHLY COMPLEMENTARY OPERATIONAL FOOTPRINT IN NORTH AMERICA

Annual capacity noted in italics

Iron Ore
- Hibbing: 7.0Mt
- Minorca: 3.0Mt
- UTAC: 6.0Mt
- Northshore: 5.0Mt
- Tilden: 7.0Mt

Metallics
- Toledo HBI: 1.9Mt
- FPT Scrap: 3.0Mt

BF-BOFs
- Burns Harbor: 5.0Mt
- Indiana Harbor: 4.0Mt
- Cleveland: 3.4Mt
- Middletown: 3.0Mt
- Dearborn: 3.0Mt
- Riverdale: 0.7Mt

EAFs
- Mansfield: 0.5Mt
- Butler: 0.4Mt
- Steelton: 0.3Mt
- Coatesville: 0.2Mt

Finishing/Downstream
- Standalone Finishing Assets: 10 facilities
- Tubular and Stamping: 12 facilities

Note: Iron ore and metallics figures represent gross tons and steel figures represent net tons; steel capacities represent crude steelmaking.
1. Represents 2022A production

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ENHANCES IN-HOUSE RAW MATERIALS CAPABILITIES

FPT Scrap
FPT acquired in 2021

HBI
Toledo HBI production started in 2020

Mini Mill
Secures prime scrap for EAFs

BF-BOF
HBI used in blast furnaces
**CREATES AN ESG LEADER**

Pro forma company well positioned to accelerate GHG emissions reductions across shared asset base

### Cliffs’ Absolute GHG Emissions

**Scope 1 and Scope 2 Emissions**

<table>
<thead>
<tr>
<th>Year</th>
<th>GHG Emissions (CO2e mmt per year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>44</td>
</tr>
<tr>
<td>2018</td>
<td>42</td>
</tr>
<tr>
<td>2019</td>
<td>40</td>
</tr>
<tr>
<td>2020</td>
<td>32†</td>
</tr>
<tr>
<td>2021</td>
<td>35</td>
</tr>
<tr>
<td>2022</td>
<td>30</td>
</tr>
</tbody>
</table>

- **32% Reduction in 5 years**

**Note:** Pro forma GHG emissions profile of Cliffs’ current operating footprint

1. 2020 GHG emission levels were lower than expected due to pandemic-related production levels

- Iron Ore Pellets
- Use of HBI in Blast Furnaces
- Low Coke Rates
- Natural Gas BF Injection (Prepared to Replace with Hydrogen)
- Access to Ample Prime Scrap from FPT
- LEED Certified Steelmaking at Big River

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DELIVERS SIGNIFICANT VALUE CREATION POTENTIAL

~$500 million in synergies

### Cost Synergies
- Significant synergies from asset and capex optimization
- Procurement savings (healthcare, raw materials, supplies and freight, among others)
- SG&A and channel efficiencies as a result of complementary operating platforms
- Reduction of corporate and public company costs

### Investment Synergies
- Enhanced financial and capital markets profile and robust FCF substantially de-risk U.S. Steel’s multi-year strategic initiatives

### Multiple Expansion
- Potential for trading multiple expansion as a result of stronger financial position and growth to drive shareholder value

Both companies’ shareholders will be direct beneficiaries of the significant synergies in the pro forma company and valuation uplift potential going forward
PROVIDES OPPORTUNITY FOR IMMEDIATE MULTIPLE EXPANSION

Note: NTM EBITDA multiples over the 2 year period ending on 07/28/2023, the initial offer date.
DE-RISKS U.S. STEEL’S CAPITAL SPEND

Near-Term Capital Expenditures ($ millions)

Consensus Estimates

Year | Cliffs | U.S. Steel
--- | --- | ---
2023E | $713 | $2,468
2024E | $783 | $1,426
2025E | $845 | $812

Pro Forma Free Cash Flow ($ millions)\(^1,2\)

Consensus Estimates

Year | Cliffs | U.S. Steel
--- | --- | ---
2023E | | $1,440
2024E | | $1,575
2025E | | $1,947

Note: Cliffs and U.S. Steel figures represent consensus estimates; market data as of 08/11/2023.

1. Free cash flow defined as EBITDA – capex
2. Pro forma free cash flow figures including synergies of $500mm in 2024E and 2025E
### IMPROVED BALANCE SHEET AND FINANCIAL PROFILE

#### Net Leverage

<table>
<thead>
<tr>
<th></th>
<th>Cliffs</th>
<th>Pro Forma</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leverage</td>
<td>2.5x</td>
<td>~2.1x</td>
</tr>
<tr>
<td>Reduction</td>
<td>~16%</td>
<td>~2.1x</td>
</tr>
</tbody>
</table>

#### Strong Pro Forma Profile

- **Significant pro forma FCF profile to pay down debt in the immediate term**
- **Intention to maintain Cliffs’ track record of strong (and improving) credit ratings**
- **EPS accretive in year one**

Cliffs expects to maintain existing credit ratings

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1. LTM 06/30/2023 leverage (pro forma includes synergies)

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CLIFFS’ CONSISTENT TRACK RECORD OF TRANSFORMATIVE GROWTH

Annual Revenues

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$2 billion</td>
</tr>
<tr>
<td>2020</td>
<td>$5 billion</td>
</tr>
<tr>
<td>2021</td>
<td>$20 billion</td>
</tr>
<tr>
<td>2022</td>
<td>$23 billion</td>
</tr>
<tr>
<td>Pro Forma</td>
<td>$44 billion</td>
</tr>
</tbody>
</table>

1. Pro forma 2022 revenue
## PROVEN ABILITY TO DELIVER ADDITIONAL JOBS AND RE-INVEST IN CRITICAL MATERIALS

<table>
<thead>
<tr>
<th></th>
<th>AK Steel 1</th>
<th>ArcelorMittal USA 1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2020</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Transaction Value</strong></td>
<td>$3.0 billion</td>
<td>$3.3 billion</td>
</tr>
<tr>
<td><strong>Net Job Creation</strong></td>
<td>~1,700 new jobs added</td>
<td></td>
</tr>
<tr>
<td><strong>Re-investment in Critical Niche Materials For U.S. Supply Chain</strong></td>
<td>Electrical Steel</td>
<td>Tinplate</td>
</tr>
<tr>
<td><strong>Cost Synergies Planned vs. Achieved</strong></td>
<td>$120 million Overachieved</td>
<td>$150 million Overachieved</td>
</tr>
</tbody>
</table>

1. Transaction details can be found in SEC Filings
2. Represents total enterprise value; ArcelorMittal USA enterprise value includes assumption of pension/OPEB liabilities and working capital

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COMMITMENT TO CAPITAL RETURNS

Significant Share Repurchase Program Since 2022

1. Announced $1 billion share repurchase program in 2022
2. Repurchased 12.5 million shares in 2022
3. ~$666 million remaining under current repurchase program¹

Share Count Evolution²

<table>
<thead>
<tr>
<th></th>
<th>Q2 2021</th>
<th>Q2 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>585</td>
<td>514</td>
</tr>
<tr>
<td></td>
<td>million shares</td>
<td>million shares</td>
</tr>
<tr>
<td>Reduction</td>
<td>12%</td>
<td></td>
</tr>
</tbody>
</table>

Meaningful Quarterly Dividend Going Forward

1. Initiating a $0.05 per share quarterly dividend in conjunction with the transaction
2. Will deliver ~$155 million in annual dividend to all shareholders

¹ As of Q2 2023
² Represents diluted shares outstanding
LONGSTANDING FOCUS ON LIABILITY REDUCTION

Total Net Debt ($ millions)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q4 20</th>
<th>Q2 21</th>
<th>Q4 21</th>
<th>Q2 22</th>
<th>Q4 22</th>
<th>Q2 23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>$5,312</td>
<td>$5,295</td>
<td>$5,190</td>
<td>$4,621</td>
<td>$4,223</td>
<td>$3,929</td>
</tr>
</tbody>
</table>

~$1.4 billion reduction in net debt

Historical Net Pension & OPEB ($ millions)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q4 20</th>
<th>Q2 21</th>
<th>Q4 21</th>
<th>Q2 22</th>
<th>Q4 22</th>
<th>Q2 23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>$4,207</td>
<td>$3,931</td>
<td>$2,872</td>
<td>$2,702</td>
<td>$813</td>
<td>$747</td>
</tr>
</tbody>
</table>

82% reduction of pension & OPEB liabilities
EXTREMELY STRONG RELATIONSHIP WITH GROWING UNION WORKFORCE

Cliffs Total Number of Employees (‘000)

<table>
<thead>
<tr>
<th>% Union Employees</th>
<th>2019</th>
<th>Post-AK</th>
<th>Post-AMUSA</th>
<th>Post-FPT</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>Union</td>
<td>2.5</td>
<td>11.1</td>
<td>25.2</td>
<td>26.4</td>
<td>27.5</td>
</tr>
<tr>
<td>Non-Union</td>
<td>0.9</td>
<td>4.1</td>
<td>7.4</td>
<td>7.9</td>
<td>8.0</td>
</tr>
</tbody>
</table>

Signed letter from the USW demonstrating full support and backing of the proposed transaction
FULL SUPPORT AND BACKING OF THE USW

August 3, 2023

To Whom It May Concern:

This letter is to express the United Steelworkers' (USW) support of the acquisition of United States Steel Corporation (USS) by Cleveland-Cliffs Inc. (Cliffs).

Under the terms of the USW’s collective bargaining agreement with USS, the USW has the right to counter any proposal to acquire a controlling interest in USS or its facilities covered by the USW agreement. The USW has a very strong relationship with Cliffs and will not exercise this right of a counter offer. It will, rather, unequivocally endorse such a transaction. Moreover, the USW will not endorse anyone other than Cliffs for such a transaction.

Over the years, Cliffs has shown itself to be an outstanding employer to all of its workers, including its long-legacy operations in iron ore and more recently its steel operations from the 2020 acquisitions of AK Steel and ArcelorMittal USA. Different from typical acquirers, Cliffs did not cut union jobs when it bought AK Steel and ArcelorMittal USA, but rather significantly increased the union workforce. Cliffs now has more than 14,000 members of the USW. Cliffs has also proven itself to be a collaborative partner to the USW leadership. This is evidenced by the labor contracts negotiated and ratified last year in which both Cliffs and the USW worked hand-in-hand to meaningfully improve the work conditions, wage rates and the benefits for its USW employees.

We have no doubt that the extension of our strong partnership with Cliffs to the 11,000 union represented employees at USS will benefit the employees, their families and the communities in which they operate. A strong and productive U.S. labor force is of utmost importance to our country.

Maintaining American leadership in the steel industry is critical to many vital parts of the U.S. economy. The USW feels that Cliffs is the single steel producer in the best position to ensure that U.S. based manufacturing remains strong in this country with the support of the USW and its represented workforce.

Sincerely,

Thomas M. Conway
International President - United Steelworkers
CLEAR ROADMAP TO COMPLETION

1. Top 3 and 15 Cliffs shareholders own 24% and 36% of U.S. Steel, respectively
2. Customary public company legal due diligence needed to get to definitive agreement
3. Proposed transaction has the full support and backing of the USW
4. 60% overlap across all institutional shareholders
5. Regulatory approval expected in timely manner
6. Signed highly confident letters from several tier 1 U.S. and international banks
7. Minimal private-side business due diligence required
8. Unanimous support of Cliffs Board
9. Substantial time and effort already expended with key advisors in place

1. Top 3 and 15 Cliffs shareholders own 24% and 36% of U.S. Steel, respectively
2. Customary public company legal due diligence needed to get to definitive agreement
CLIFFS’ PROPOSAL IS COMPELLING FOR ALL STAKEHOLDERS

Creates a top 10 steel company in the world

<table>
<thead>
<tr>
<th>Domestic Economic Security</th>
<th>Combination provides a stronger foundation for critical infrastructure and national security, along with accelerated job creation and economic impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
<td>Unwavering commitment to all employees, as evidenced by the full support of the USW and strong track record of growing Cliffs’ hourly workforce</td>
</tr>
<tr>
<td>Communities</td>
<td>Significant U.S.-based footprint with ~40,500 employees across 16 states</td>
</tr>
<tr>
<td>Customers</td>
<td>Broad-based steelmaking capability set, with particular excellence in value-add steels critical to the U.S. economy</td>
</tr>
<tr>
<td>Shareholders</td>
<td>Delivery of ~$500 million of annual synergies, a de-risked financial profile and strong capital returns going forward</td>
</tr>
</tbody>
</table>

1. U.S. Steel active North American employees and Cliffs U.S. employees as of 12/31/2022