

UNITED STATES  
SECURITIES AND EXCHANGE COM

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## LETTER TO OUR SHAREHOLDERS

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Dear Fellow Cleveland-Cliffs Shareholders:

In the 173 years of our existence as a company, 2020 proved to be the most seminal year in our history. In a year that w

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Preliminary Copy  
In accordance with Rule 14a-6(d) under Regulation 14A of the Securities Exchange Act of 1934, please be advised that Cleveland-Cliffs Inc. intends to release definitive copies of the proxy statement to security holders on or about March 15, 2021.

## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

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To Be Held on April 28, 2021  
11:30 a.m. EDT  
Online at [www.virtualshareholdermeeting.com/CLF2021](http://www.virtualshareholdermeeting.com/CLF2021)

To the Shareholders of Cleveland-Cliffs Inc.:

In light of the ongoing COVID-19 pandemic



## PROXY STATEMENT SUMMARY

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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.

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## DIRECTOR COMPENSATION FOR 2020

The following table, supported by the accompanying footnotes and the narrative

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RSUs will also specify the time and manner of payment of the RSUs that have been earned and will specify that the amount payable with respect to such RSUs will be paid in cash or in kind, as determined by the Board.

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Such adjustment shall be conclusive and binding for all purposes with respect to the 2021 Directors Plan. Moreover, in the event of any such transaction or event or in the event of a change in control of Cliffs, the Governance Committee, in its discretion, may provide alternative consideration (including cash), if any, as it, in good faith, may determine to be equitable in the circumstances and shall require the surrender of all such awards so replaced in a manner that complies with the requirements of the 2021 Directors Plan.

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market value of a share of Common Shares on the date of grant. The term of a stock option may not extend more than 10 years f







Other Awards. The management objectives applicable to an award under the 2021 Employees Plan (if any) will be determined by the Committee, and may be based on one or more, or al a 5 s

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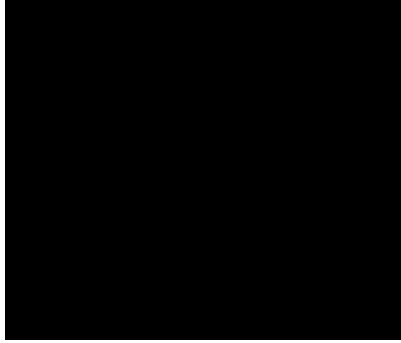
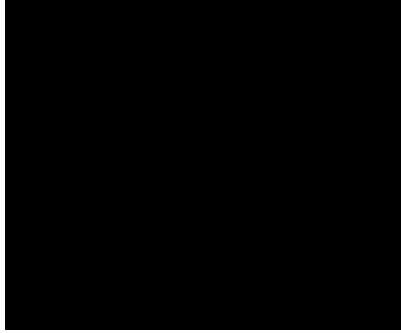












[Shareholder Engagement](#)

Cliffs has always maintained open and honest communication with its shareholders.

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As is our practice, at the Compensation Committee's direction, we reached out to shareholders to solicit their feedback on our compensation program, as well as our company strategy and performance, corporate governance, sustainability, and other topics. Specifically, we reached out to our top 25 shareholders representing approximately 73% of our outstanding common stock.

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**3. How the Compensation Committee determines the pay for our CEO**

In 2014, we experienced a significant shift in executive leadership and business stra

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Overview of 2020 Executive Compen

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As illustrated in the charts below, 85% of our CEO's compensation is fixed, compared to 54% of our CFO's compensation. The percentage of fixed compensation for our CEO is 85%, compared to 54% for our CFO. The percentage of fixed compensation for our CEO is 85%, compared to 54% for our CFO. The percentage of fixed compensation for our CEO is 85%, compared to 54% for our CFO.

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Review of Employment and



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[Annual Incentive Program \(EMPI Plan\)](#)

Our EMPI Plan provides an opportunity for our NEOs:

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[Long-Term Incentive Program](#)

Our long-term equity incentive compensation program relies on the following key features: (i) the program is designed to attract, retain and motivate key employees; (ii) the program is designed to align the interests of key employees with the interests of our shareholders; (iii) the program is designed to provide a meaningful and significant component of total compensation; (iv) the program is designed to be consistent with our long-term strategy; and (v) the program is designed to be consistent with our compensation philosophy. The program is subject to the terms and conditions set forth in the Long-Term Incentive Program Agreement, which is filed as an exhibit to our annual report on Form 10-K for the year ended December 31, 2023.

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**Restricted Stock Units** Restricted stock unit grants are generally earned based on continued employment over a period of approximately three years and are retention-based and are

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[Certain Material Tax and Accounting Implications](#)

Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), generally disallows a federal income tax deduction to public companies like Cliffs for compensation in excess of \$1 million paid to certain current and former executive officers.

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- Continued health insurance benefits;
  - Outplacement services;
  - Pursuant to the terms of the
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sponsored or maintained by the Company or any Affiliate or (D) any acquisition pursuant to a transaction that complies with **Sections 13(c)(1)(B)**

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materially impair the rights of any Participant without his or her

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(y) \*Performance Uni

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award will, to the extent of such cancellation, forfeiture, expiration, cash settlement, or unearned amount, again be available under **Section 3(a)(i)** above.

(ii) If, after the Effective Date, any Common Shares subject to a

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- (a) Each such grant or sale will constitute an immediate transfer of the ownership of C



(f) Each grant or sale of R

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(f) Notwithstanding anything to the contrary contained in this Plan, awards under this **Section 9** may provide for the earning or vesting of, or earlier elimination of restrictions applicable to, such award, including in the event of the retirement, death, disability or termination of employment or service of a Participant or in the event of a Change in Control.

10. **Administration of this Plan.**

(a) This Plan wi

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acquisition directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Affiliate or (D) any acquisition pursuant to a transaction that complies with t

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15. **Transferability.**

(a) Except as )

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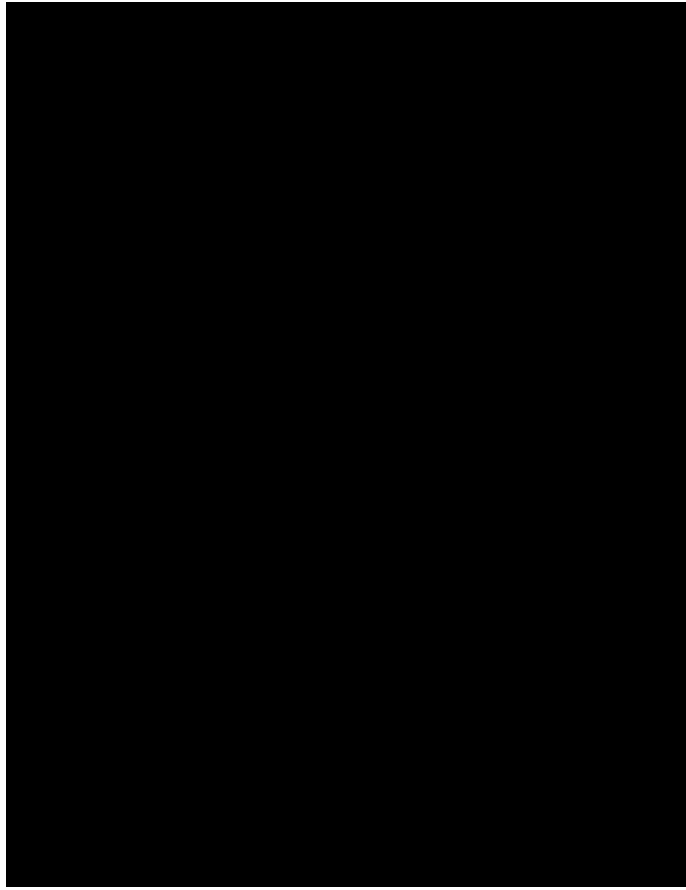


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